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WILLIAM HOWE McELWAIN

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FROM

Mrs. Wm. H. McElwain

WILLIAM HOWE McELWAIN

LIAM HOWE McELWAIN

1867-1925

BY

HENRY GREENLEAF PEARSON

BOSTON

PRIVATELY PRINTED

1917

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WILLIAM HOWE McELWAIN

1867–1908

BY

HENRY GREENLEAF PEARSON

As one lamp lights another, nor grows less,
So nobleness enkindleth nobleness.

BOSTON
PRIVATELY PRINTED
1917

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THIS record of the life of my husband has been written first of all for the sake of our children, with the hope that it may enable them to understand and to value the heritage which is theirs through him. Other members of the family and companions of early and of later years, as well as those who did not know him but are carrying on his work, will, I believe, welcome the story of the brother and friend whose life meant to them affection and sympathy, leadership and inspiration.

My grateful thanks are here expressed to the author and to the many friends who have so unsparingly given time and effort to make this a faithful and worthy record.

H. W. M.

Boston, June, 1917

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WILLIAM HOWE McELWAIN

What is the hoop that holds them staunch? It is the iron band of poverty, of necessity, of austerity, which, excluding them from the sensual enjoyments which make other boys too early old, has directed their activity into safe and right channels, and made them, despite themselves, reverers of the grand, the beautiful, and the good. . . . The angels that dwell with them, and are weaving laurels of life for their youthful brows, are Toil and Want, and Truth and Mutual Faith.

DOMESTIC LIFE, EMERSON

CHAPTER I

THE FOUNDATIONS

WILLIAM HOWE MCELWAIN had the distinction of a good inheritance. On his father's side he came of the Scotch-Irish stock which formed such a notable element of the immigration into New England in the early years of the eighteenth century. They were men and women who toiled side by side to build and to maintain homes in the wilderness; who cherished religion and knowledge even more devotedly in their frontier life than on the other side of the Atlantic. The McElwain family, emigrating in 1718 from Broughshane, Antrim County, Ireland, whither its Scotch ancestors, in search of religious peace and freedom, had come a century before, presently established itself upon a hundred acres of land at the junction of the Ware and the Swift rivers in what is now the town of Palmer, in Hampden County, Massachusetts. In the year 1838, in the adjoining town of Ware, was born John Allen McElwain,[1] the third

[1] His grandfather, John Allen McElwain, was sergeant in

son of a family of six children. His mother was Mary Wilder, who was of English descent and belonged to an old New England family distinguished for its intellect and piety.[1] Though his inclination led him in youth to enter the ministry, John McElwain considered that he was debarred therefrom by a slight defect of hearing. He accordingly went into business, and it was while he was thus engaged in Boston in 1863 that he married Susan Gilbert, daughter of John and Sarah M. Sylvester Gilbert, of Charlestown. In Charlestown, where they made their home, their second child and elder son, William Howe McElwain, was born on February 11, 1867.

In both parents, in addition to native strength

Captain David Spear's company of Palmer, which was one of the first to march to Boston at the outbreak of the Revolutionary War. He fought at Ticonderoga and served under General Gates.

[1] Two of Mary Wilder's ancestors, Joseph Wilder, 1683–1757, and his son Joseph, 1708–1773, were justices of the Court of Common Pleas of Worcester County, the elder being also chief justice from 1747; they both represented Lancaster in the General Court of Massachusetts. Her mother was Hannah Woods, sister of Leonard Woods, professor of Christian Theology at Andover Theological Seminary from 1808 to 1844.

At the age of three

[illegible] family of six children. His mother was [illegible] English descent and [illegible] New England family distin- [illegible] piety. Though his [illegible] in youth to enter the minis- [illegible] he was de- [illegible] defect of hearing. He- [illegible] ss, and a war which [illegible] It seems likely that he [illegible] daughter of John, and [illegible] of Connecticut, he [illegible] Henry M'

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At the age of three

and sweetness of character, was to be found something unusual. In the mother there was a completeness of devotion to the duties of her place in the family, a power of inspiring and keeping fresh the love of all its members; in the father, an unworldliness of spirit and a sense of consecration which led him, when he was thirty-eight years old and had four young children to provide for, to give up his business and to adopt the profession which had been the choice of his youth. Without any formal training whatever for the ministry,—although he had had considerable success as a lay worker,—he became assistant to the pastor of the First Baptist Church in Charlestown. A year later, in 1877, he accepted a similar position in the Clarendon Street Baptist Church, Boston, under the Reverend A. J. Gordon, and with this church he was connected, as assistant pastor and as acting pastor, for the next twenty-four years.

When, in order to be near his field of work, Mr. McElwain moved his family to the South End of Boston, his elder son was a boy of ten. The environment of William McElwain's youth and early manhood, therefore, was that of a portion

of the city well built up, spaciously planned to be the abode of fashion, but already beginning to lose such fashion as had mistakenly established itself there. Here he found friends among his mates in the Dwight School and the English High School, and in the families with whom his father was associated in the church. He went through the typical experiences of a city lad brought up among boys who expect, on the completion of the high school course, to go into business. He studied in moderation; he had plenty of hard play and good fun; he was an active member of a club,— The Boston Boys' Temperance Union; he spent some of his spare time working in his uncle's chair-factory. Every summer the family went to board on some New England farm, and there he threw himself heart and soul into farm-work; perhaps when he kept rabbits under the back steps at home, he was trying to prolong the joys of country life.

Under these circumstances "Billy Mac" attained the development of a tall, stalwart youth of sixteen. Though no more a leader on the playground than in the class-room, he was always

liked and respected. Doubtless his companions admired his superabundance of physical energy: one of them speaks of his "centre-rush playing, when the whole field was forced to give way before his massive onrush." But they were aware that he had something more than that. "One of the cleanest living, cleanest acting, and cleanest talking boys that I knew then or have ever known," is the testimony of a fellow who was constantly with him at this time; another schoolmate, speaking of him as always a good example, adds: "There was absolutely nothing of the prig in his nature." And again: "He had a most cheerful disposition and was very sympathetic in his relations with his class-mates. He had that gift of always being really interested in what the other fellow was talking about, and you always felt that he was giving you his attention and that when he made a response it was worth listening to because he really thought about what he was saying. His sympathy and responsiveness were shown by a smile which lighted up his face and particularly his eyes in a most attractive manner." His cousin, a boy of about his own age and a constant com-

panion, declares him to have been the most generous and the fairest boy he ever knew.

It is not strange that at home he was deeply loved and trusted. There had never been a time when he had failed to respond to the claims of his family both for affection and for help. Indeed, the desire to contribute to the revenues of the household was largely the determining motive with Will McElwain as he grew into his teens. Unlike most of his high school friends, who looked upon further training as the "fallacy of preparation" and were eager to meet without delay the world which owed them a living, he cherished the desire for a college education; but he felt that it was an advantage which he could not afford. In every clergyman's family the slender salary voted by the congregation is expected to suffice for a standard of living much above that for which it is really adequate, and the assistant pastor's elder son at the age of sixteen had reached the conclusion that the family funds must be increased through him by the unsanctified cash of commerce.

This resolution he put into effect during the fall following the second year of his high school

course; at the time some of his friends thought that the act was made easier because he had failed to receive the captaincy in the school battalion on which his heart was set. At any rate, he then set out to search for the opening which should constitute the beginning of his business life. In the long vacation of the preceding year he had worked in a shop on Washington Street at fairly good wages; he was now, however, in quest of a place in which, starting at the bottom, he could "learn the business," with all that that expression implies of hard work, small pay, and slow advancement.

After several futile attempts on the part of the boy to find in the great mercantile world of Boston a place not too unpromising, Mr. McElwain presented his son's case to one of the members of the church who was employed by George H. Burt, a well-known manufacturer of shoes. A youth, beginning as office boy, could look forward to an ultimate position as one of the travelling salesmen of the firm. These positions paid comfortable salaries, but young McElwain, to put himself in the way of promotion to them, must consent to

accept for the first year $100; for the second, $200; for the third, $300. During these years the glittering bait of a future salary indefinitely augmenting was supposed to be sufficient to draw him on. The fact that Mr. Burt was vouched for by an acquaintance encouraged Mr. McElwain to advise his son in favor of this beginning. As a result, it was with the house of George H. Burt and Company that William McElwain, in the fall of 1883, began his business career.

He thus, as it were, became one of the tens of thousands of undistinguishable units that were being fed into the mercantile mill. He was given over to be shaped by the nondescript and apparently purposeless tasks that beginners must work upon, by the standards, crude or not, of the immediate company in which he found himself and of the business into which chance had thrown him. What was there in this South End boy, merely an average specimen, it seemed, to prevent him from being, at the end of six or eight years, a completely unindividualized product of the influences to which he had submitted himself? What hope that the raw material could in any wise control

At seventeen

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or modify the vast and inexorable machinery by which it was being wrought upon?

In sober truth, if he or any one who knew him could have seen it, all the great forces were on his side; in the face of his unfolding strength the circumstances of his environment were to find themselves of consequence only as they developed power in the being whom they sought to hem in. The qualities that were just beginning to reveal themselves require, therefore, to be set forth here, for it was they which were to make the man.

The life of the McElwain family was such as to bring out in the elder son all his powers of affection. In addition to the natural sympathy that existed between him and his parents and to the protecting care that he felt for his younger brother and sister, there ran between him and his older sister through these years an intimacy that brought them together on many a subject of interest. Beneath the surface of his habitual cheer and buoyancy lay a nature with great capacity for emotion, a nature the response of which to all experience was both quick and deep; in his home, first of all, this power was turned toward its noblest uses,

so that, no matter what the occasion, there was always within him to meet it the priceless gift of right feeling.

The influence of religion with him at this time was more than a matter of course. The pastor of the Clarendon Street Church, to whom he listened Sunday after Sunday, was one of the most widely known preachers of the Baptist denomination; the inspiration of his ministry was evangelization in the broadest sense of the word. Strong as were the ties that held William McElwain to this church, it was not at all strange that a young man living in the Boston of those days should have been drawn to the vesper services at Trinity Church, and should have come under the spell of Phillips Brooks's preaching. In the gospel as it was so memorably poured forth from that pulpit, he heard a message that stirred him profoundly. In sum, it was a call to a young man nobly conscious of his spiritual faculties to nourish them in order that they might control his life. With the wholeheartedness of his ardent nature he responded. At the Sunday afternoon services, and also at the meetings of a Bible class held on Saturday even-

ings during Lent, the best that was in McElwain was developed and fixed. To use a text from which Phillips Brooks preached with perhaps more than usual of his moving power,—deep called unto deep.

The aspirations thus awakened were stimulated by friendships of the kind which constitute one of the precious experiences of youth. Dr. Gordon's son Ernest had been Will McElwain's chum at an age when the possession of a small press and the printing of visiting cards and "flyers" had been one of the joys that made life worth living. As time went on, their intimacy became established on a more enduring foundation. They read together and talked far into the night; they attended a season of concerts of the Boston Symphony Orchestra; they took long walks on Sunday afternoons. Twice during Gordon's course at Harvard McElwain used the brief days of his vacation to go on a walking trip with his friend. The first year it was a tramp in the White Mountains, followed for him by a severe siege of typhoid fever from the effect of which in the form of insomnia he suffered for a long time; the second year they

went to French Canada, visiting Quebec and Montreal. In such happy hours the student and the clerk who for three hundred days in the year thought in terms of shoes struggled up the heights of self-knowledge, rewarded at the end of every new reach by visions even more inspiring than the vistas that they beheld from each new hilltop.

Another friend of these days was Albert Stannard, a fellow of exceptional ability who had come from Michigan to study at the Harvard Medical School, and who for several years lived with the McElwain family. Over and above the intellectual sympathy that was soon established between them, McElwain was drawn to him by the difficulties under which Stannard was pursuing his advanced studies. Stannard was doing what he himself would have liked to do, and from his small savings he gladly helped him on his way. It is acts such as this, even more than the giving of later years, that are the index of his native generosity.

Deprived of a college career, William McElwain sought all the more eagerly the culture of books. He mastered the art of attention which is

the art of reading, and his ambition to make his own whatever was best of its kind drew him toward the great works of literature. Not content with taking from the public library the books that he wanted, he began, as soon as his earnings warranted it, to purchase second-hand volumes for a library of his own. Among them were works of such monumental character as Gibbon's Decline and Fall of the Roman Empire, Von Holst's Constitutional History of the United States, Motley's Rise of the Dutch Republic, and Macaulay's History of England, not to mention the current edition of the Encyclopedia Britannica. In economics he bought Mill's Principles of Political Economy, George's Progress and Poverty, and works by Walker, Ely, and David A. Wells. Besides fifteen or twenty books of biography, including Plutarch's Lives, he had volumes of poetry,—Wordsworth, Cowper, Pope, Byron, Coleridge, Burns, and Tennyson,—essays of Emerson, Carlyle's Sartor Resartus, Bunyan, complete sets of Thackeray and George Eliot, and half a dozen of the most necessary books of reference, including Skeats's Etymological Dictionary. These books he

not merely owned but read after his own thorough fashion, marking as he went. In Locke's Essay on the Human Understanding, for example, he noted and copied the definitions of such words as Knowledge, Belief, Opinion; in Wordsworth's Tintern Abbey he instinctively noted the memorable lines by which every young reader of poetry has been arrested and thrilled; in a lecture on Concentration he marked the words, "Have the courage to be ignorant of a great number of things, in order to avoid the calamity of being ignorant of everything;" and, in a Life of Emerson, the passage that stands on one of the first pages of this book. The study of so profound and far-reaching a work as the Decline and Fall of the Roman Empire may be of many times more value than a college education; when a young man, after a hard day's work, patiently wins his way into that intellectual world, it means that he holds rights of affinity with it which will not be denied.

With all the passion of a miser for gold, William McElwain reached out, instantly and constantly, for the best. In kind, perhaps, his ambition to make the most of himself and his oppor-

tunities was little different from that of all ardent and generous-minded youth; what made it remarkable was its vitality and persistence. Although the titles of goodfellowship were his by right, the distracting years of young manhood, as his comrades soon came to see, caused him to bate not one jot of his self-control. When he had set an end before himself, he could put in hand the means for attaining it with no fear of check from the cross-currents of passion and of impulse by which some of them were baffled.

His first duty, as he saw it, was to devote himself, with an overmeasure of service, to the work by which he earned his living. Knowing that success here offered the surest means of his setting himself free from the restrictions of his environment, he put all his strength into the endeavor to break down the barriers at the point where they were weakest. "I remember clearly," writes Edmund Billings, who had known him from his school-days, "calling at his house on Chandler Street on numerous occasions, in an effort to get him out to some party or lark for an evening, only to find him studying parts of shoes, leather, going

over big, complicated-looking order books; and usually my mission failed."

Next to his obligation to his work, he sought to fulfil the duties rising from his own and his father's connection with the Clarendon Street Church. He helped to organize a Young People's Society of Christian Endeavor and for the first year was its vice-president; he formed a boys' debating club; chief of all, he undertook that daunting task, the management of a Sunday-school class of youngsters thirteen and fourteen years of age. Between himself and these boys, of whom his younger brother was one, he was able, as it turned out, to establish a complete understanding. Valuable as this result was at the time, its greater returns, both to him and to them, came in later years when, among the members of that group, he found the helpers whom he needed in the business organization that he was creating. Still, he could hardly be called a "church worker;" after he reached full manhood and his labors for Mr. Burt became more exacting and more responsible, his part in such activities diminished and then ceased.

In these years, in short, when youth and early

manhood ask and expect so much from life, it was William McElwain's good fortune to be able to make his own world and to make it from within. Unerringly he selected that which nourished his nobler self; no less instinctively and finally, he rejected whatever was common and evil. Best fortune of all, in his early twenties he reached the felicity of love returned. On December 29, 1891, when he was still under twenty-five years of age, he married Helen Whyte Merriam, daughter of James W. and Ellen M. Merriam, of Boston. Out of the eight and a half years since he had left school and entered business life, it may be said that he had lost nothing and gained everything.

CHAPTER II

LEARNING THE SHOE BUSINESS

THE business of the firm of George H. Burt and Company consisted of the manufacture of men's footwear of all grades, from the heaviest sort of shoes and leg boots to the finest kind of hand-sewed shoes. In 1883 it was one of the five largest in the industry in the United States and did an annual business of approximately $2,000,000. The main factory at Brookfield, in Worcester County, Massachusetts, where the heavy goods were made, employed six hundred hands and turned out 4800 pairs of shoes a day. The other factories, where the medium and high grade shoes were made, were at Marlboro, in Middlesex County, on the eastern edge of Worcester County, and at Randolph, in the Brockton district; they employed three hundred hands each and their approximate daily output was 2500 and 1800 pairs respectively. Five travelling salesmen disposed of the product to wholesale dealers in the Atlantic States and the South. The office of the firm was in Boston, Mr. Burt, in accordance

with the practice of other New England shoe manufacturers, having established it there in order that the headquarters of his business might be in the chief shoe and leather market of the country. It was situated on Bedford Street, in the district given over to this industry; here also was his stock room.

With few marked exceptions, the shoe manufacturers who flourished in the period after the Civil War, whether they had come "up from the bench" or had gained their experience in the mercantile portion of the industry, were men who had succeeded in spite of the lack of an all-round mastery of their field of work, and without the application of any very high degree of intelligence or even of persistent effort. They had Yankee shrewdness, it is true; but it was mainly of the kind that, while enabling them to see, prevented them from foreseeing; they could tell unerringly how to save a dollar to-day, but had no gift for knowing how to make ten dollars a year hence. Their practice was much that of the small shopkeeper who, never really studying his business, must keep just behind its demands instead of just

ahead of them. Whatever advantage these characteristics gave them, it was of the sort which could be maintained only in generous days when the pressure of competition was not heavy, when anybody could make a living, and when almost anybody could make money.

In consequence of these conditions of easy competition, which continued to a period as late as that of the '80's, the use of machinery, though it had been introduced early for the simpler processes of the art, had advanced but slowly into its more complex ones; in the highest grades of shoes hand work still played the most important part. Then, too, though cities like Lynn, Brockton, Haverhill, and Marlboro were famous throughout the country as shoe manufacturing centres, the total product of any one place was contributed to by a considerable number of firms, each of which had an output by no means large; a tendency toward combination had not anywhere manifested itself. As a rule, the life of a firm was short, and outside the four centres the industry was migratory in character: dozens of New England towns contained shoe factory buildings that had been

abandoned or transformed to some other use. So the partners in any given firm looked to make a good living out of their enterprise during the prime of their working years, and left the remote future to fate.[1]

The irony of the situation lay in the fact that these manufacturers were, if they had only known it, on the eve of a complete revolution in the industry. Not only were inventors improving shoe machinery so that the so-called "McKay sewed" shoe, while still cheap in price, could be made much more comfortable to the foot; but the ingenuity of Charles Goodyear had at length devised the machine that with automatic skill and strength could perform the complex manipulations of the welt process which hitherto had required the slow and costly labor of hand workers; in 1883 his inventions had been at the disposal of the shoe manufacturer for some half-dozen years.

[1] This lack of continuity in the shoe industry was a characteristic of it even up to the end of the nineteenth century. In North Adams, Massachusetts, between 1885 and 1895 there were five firms of shoe manufacturers, each with a business of considerably over $1,000,000 a year. During the next decade they all went out of existence.

Although, in the nature of things, if these two grades of shoe could be produced cheaply and in abundance, the poorest grades of all, the heavy shoes and the leg boots which Mr. Burt made in his Brookfield factory, would sooner or later be forced over the precipice, at this time it was the exceptional man who could read the decree which the new machines were ordaining.

Still another result of the conditions of easy competition showed itself in careless business methods and organization. It was frequently the practice of a manufacturer to accept from the jobber a large order, shipments on which were to be made at specified dates anywhere from four to six months later. At the beginning of the season, that is, twice a year, in December and in June, instructions were sent from the office to the factory for an amount and kind of work to be done equivalent to one-half of each order. The cutters, beginning at once on the leather for soles and for uppers, and having a task that could be performed rapidly, were soon out of work, and were not given the remainder of each order till much later in the season, when the customer had begun

to complain of the non-arrival of the first deliveries due him. Meanwhile the lasters, who pull the uppers over upon the lasts, were laboring to diminish the enormous quantity of work which the cutters had piled up for them. In some factories it was no uncommon thing, at certain times of year, for thousands of pairs of uppers to be stacked in the yard like so much cord-wood. When a customer asked for the delivery of a portion of his order, it was necessary to make a search for the uppers in question and then to give that order the right of way. If a customer, after frequent appeals, at last in exasperation cancelled his order, all the goods in the factory ready for shipment were immediately sent to him. The astonishing thing about such methods of doing business is that the manufacturer, far from taking shame to himself for them or feeling any moral responsibility as to his agreements with the wholesale dealers, made his delinquencies a point of pride. If he did not come to time with his orders, it was because, as he liked to explain, the increasing popularity of his products had created conditions in his factory which as yet he had been powerless

to remedy. A jobber who was dissatisfied might turn for his goods to some less successful manufacturer.

By way of remedying some of the inconvenience from which he suffered, Mr. Burt was planning a change in his method of handling orders; consequently, when William McElwain asked for employment, he saw the opportunity of obtaining, at the cost of $1.92 a week, a fellow who, in addition to his work as office boy, should become "order clerk," charged with the duty of mastering the information which the order book contained. By this means the employer sought to interpose a buffer between himself and the trouble that came to him in the morning mail.

Good fortune gave as instructor to the order clerk Mr. H. Walter Child, one of the salesmen of the firm, who had already done much in the way of keeping run of the orders. Upon his suggestions young McElwain proceeded to act forthwith. When he arrived at the office in the morning he inspected the pile of letters on Mr. Burt's desk. From the name printed in the corner of the envelope he could tell which of the correspondents

were customers, and if a customer was writing to Mr. Burt, it was no great stretch of probability to assume that his letter contained some inquiry more or less sharp as to the order which the firm was supposed to be filling for him. With the clue which the envelope gave, McElwain made it a point to learn by heart from the order book the exact condition of the orders about which his employer would soon require information. Without an instant's hesitation he could then tell Mr. Burt whether the goods which the customer demanded might be taken from another order, or whether they were of a special construction and made up particularly for him. The achievement never failed to astonish his employer. In the course of time the knowledge and skill which the order clerk acquired made him the one man in Burt's establishment who knew not only the original extent of a customer's order and how far along the road to completion the different portions of it were, but also its relation to the rest of the season's work. The centralizing of all this knowledge in one person naturally made it simpler to remedy complaints, and from the increased ease which Mr.

Burt experienced in handling his customers he had every reason to congratulate himself on the outcome of his hundred dollar experiment. The high-priced salesmen, too, for this relief from one of their standing annoyances gave much thanks; only when it was too late did they wake up to find what else it was that the newcomer had taken away from them.

As for young McElwain himself, the chief thing to note about his first piece of work is the thoroughness with which it was done. If he had fallen considerably short of perfect knowledge of the figures relating to brogans, plow shoes, and creedmoors, he still would have satisfied his employer; but the ambition which led him to make the most of every opportunity, no matter how unpromising, would not let him rest till he had mastered all the pertinent facts. His success in this field and the practical value of the accomplishment led him on until he had acquired the ability to write off from memory factory specifications for any order of shoes without consulting "copy," —that is, the sheet which contains the customer's preceding order for goods,—and this feat

comprehended the memorizing of a string of at least a dozen figures for each order. Again, when for a season or two the firm made shoes for a customer in Rio Janeiro, he studied Spanish, so that he need not depend upon a translator for the management of the correspondence. McElwain possessed the mind and the conscience of a scientist; no detail was so insignificant that he would not put upon it infinite pains. The first hint of this quality is to be found in his research work in connection with Burt's order book.

In the same fashion of unremitting thoroughness he assailed every new task assigned to him. When he became store salesman, he was on hand in good season, ready to catch the chance customer from the West used to beginning business at eight o'clock; when the morning paper told him that a shoe buyer from Atlanta was in town, he had the stock boys get out from the back of the store the cases of "Southern ties" or what not stacked up there, and arranged a display of them where they would strike the stranger's eye the moment he entered the door. If the grumbling boys felt at the time that such occupation was mere "busy

work" invented to keep them out of mischief, they later came to see the method in all this panoply of preparation. The buyer was further ingratiated at the critical moment through finding himself confronted by a young man who, though somewhat abrupt, had a cordial bearing, and a steady pair of eyes behind his big glasses. The force of his personality, rapidly developing as he reached his majority, made its impression upon his customers. They liked and remembered the fellow no less for his intelligence and firmness than for his open and straightforward manner; they came again to him, and after each transaction he had strengthened his hold upon them.

Besides the acquaintances thus formed with the buyers, William McElwain made many friends among the men with whom he had daily intercourse. The rate of work in the Boston office and store was sharply spasmodic in its variations. Periods of frantic activity continued well into the evening were followed by days when the only work on hand was to find something to do. In the sort of goodfellowship which both of these conditions require, McElwain did his part with a will. He

could work cheerfully day after day getting out samples for a salesman and checking them up; a knotted towel that had been soaked in water he could throw as straight and as hard as any of his fellows. When, as not infrequently happened, some one had an unusually heavy load of work, he and the rest of the "gang" pitched in to help the victim through. Friendships wrought in such years of common work and play were of enduring strength, and the business loyalty into which they later developed was nothing less than was to be expected of their origin and of the men who formed them.

Meanwhile, in the years between 1887 and 1890, the improvements in machinery to which reference has been made, together with other causes, affected greatly the prosperity of Mr. Burt's business. In the year 1887 a disastrous lock-out, undertaken by the shoe manufacturers of Worcester County, where the making of heavy shoes was concentrated, marked the beginning of the decline of that portion of the industry. In the next year it so happened that the lease of Mr. Burt's Marlboro factory ran out; a few months

later he sold to one of his employees the factory in Randolph, retaining an interest as a silent partner, without participation in the management. Thus it came to pass that the only factory that was under Mr. Burt's direct control was one in which both the machinery and the workmen were adapted to producing a kind of goods for which the demand was diminishing. As a consequence of the retrenchment necessary, the head salesman left, and the Boston office was moved into less imposing quarters. In the next two years the falling off in the sale of heavy goods was so sharp that radical measures had to be taken to keep the Brookfield factory going. Many operatives who had spent their lives in making leg boots and every other kind of clumsy footwear in which the sole is attached to the upper by means of wooden pegs or nails were now set to work on light McKay shoes and even on slippers.

During this period of transition and decline, William McElwain's part was that of going on the road and beginning to learn the merchandising side of the business. Mr. Burt was still loaded down with a stock of heavy goods, the

chances of selling which were dwindling with every month. By way of practice in the problems which travelling salesmen are expected to solve, McElwain was sent into Pennsylvania to such places as Easton, York, and Lancaster, or wherever he could find a small jobber whose customers were considered sufficiently oblivious to the freaks of fashion and the march of progress to warrant his purchasing a few cases.

The record of shoes sold, however, was not the most valuable thing brought back by young McElwain to his employer. He had found out in how few strongholds the heavy goods trade still maintained itself, and his superior mental activity related this new set of facts to the rest of the business in more cogent fashion than the older salesmen had done in making their reports to Mr. Burt. As a result, he received as a definite assignment a portion of the wholesale trade, first in Baltimore, then in Philadelphia, last in New York, the most important point of all. Broadly speaking, in the years 1890–92, the progress made by William McElwain in the mastery of the business was in reaching an understanding of the problems of the

wholesale dealer in his relation to the retailer on the one hand and to the manufacturer on the other.

By virtue of his increasing confidence in McElwain's judgment, Mr. Burt was at last willing to adopt his program for reform. It included a cut in McElwain's own salary, as one measure of retrenchment, and a complete reorganization of the Brookfield factory under his direction. In October, 1892, Mr. Burt appointed as its superintendent William H. Moulton, a young man who had grown up there and who sympathized with the head salesman's desire to bring the factory production into line with the changing needs of the business. McElwain's first work was to dispose of the machinery and lasts used in connection with the heavy goods, and to complete arrangements whereby the next season's product should be entirely the lighter McKay shoes of low price. In addition to effecting this transfer, which was no small piece of work, he threw himself with all the energy of his nature into the three-dimension maze of factory methods and conditions for which, in that industry at least, no patient investigator had yet provided a clue.

In eighteen months of work, more or less intermittent, William McElwain made surprising progress in mastering the details of factory management. In one department after another he and Moulton made explorations and sketched reforms; they canvassed devices that would help in attaining a more nearly uniform flow of goods through the factory,—tentative efforts toward what was later worked up as the "sheet system;" they studied ways of figuring costs; they went into the question of better departmental organization. In all these efforts McElwain was an insatiable learner, with a mental habit that was already well established. Besides having a passion for facts, down to the minutest detail, he was not satisfied until he had made an exhaustive study of them, from all sides and at both long and short range. In reply to a comment of Moulton's he once said, "I am not figuring on the cost of leather now, but on what it will be a year from now." Unrelated data, under his scrutiny, yielded up a sequence hitherto unsuspected, and the changes thus shown to be necessary were introduced with a resourcefulness which was matched only by his unsparing

energy in pushing them to completion. Upon the inertia of unmethodized tradition the application of such intelligence and energy soon began to produce an effect, and presently the Brookfield factory had to its credit a record full of promise for the future.

Such a record, it is hardly necessary to say, could not have been attained without work on McElwain's part that was remarkable both for its volume and for its intensity. A trip to Brookfield meant not only a day in the factory but also a long evening, when he and the superintendent discussed every aspect of its affairs with relation to both its future and their future, often covering the while many miles on foot over the country roads. If, as was more than once the case, it was midnight when McElwain went to bed, he had only an hour and a half of sleep, for he had to drive three miles to catch the night train from Albany to Boston which enabled him to reach the office ahead of the morning mail.

During this period the chief customers of the house were also his charge and required a regular round of visits. In this field, too, the intimate

relations which he established with Mr. Charles W. Terhune, of the young and vigorously growing house of Morse and Rogers, gave zest to the work by broadening his understanding of it and by affording immediate personal reward to himself. Thus through McElwain's association with Terhune and Moulton, both men of his own age, who were, like him, alive to the opportunities of their work, he attained under the most favorable circumstances possible a comprehension of the fundamental problems of the producing and distributing branches of the industry and also—a thing no less important—a realization of the extent to which the two are interdependent.

In February, 1894, William McElwain was twenty-seven years old. His services to Mr. Burt had won him a salary well above that which a man of his age, whether with or without special training, was in general able to command. The truth was that the standing of the firm had for the preceding two or three years been due almost entirely to him. After a fashion the fact was recognized by his employer. Mr. Burt looked on young McElwain with admiration and personal regard such as

a benefactor often feels for one whom he has benefited; from time to time, but always indefinitely, he repeated the assurance of an offer of partnership; but he had not and he could not have any true comprehension either of the remarkable service McElwain had already rendered or of the even more remarkable powers that were latent in him. Lastly, though in all matters both large and small that concerned the business it had become Mr. Burt's habit to depend always for support upon his head salesman, it never crossed his mind that that support might be withdrawn.

To the young man, more and more conscious of the scope of his powers, it was beginning to be clear that he had nearly reached the end of this road. Whatever terms of partnership might ultimately be offered him, there would be a discrepancy of aim and method between Mr. Burt and himself that would head their firm for the rocks as surely as if a skipper should try to steer his course north by south. For much the same sort of reason, he did not entertain seriously the notion of seeking employment elsewhere. He saw too clearly a thing that might be done and a way of

doing it, he was too keenly desirous of standing on his own feet, to be appealed to by the task of fitting himself into the routine of another company. From his experience as salesman he was convinced that there was a large field for the sale of lighter shoes of moderate price in the making of which some attention had been paid to the element of style. A shoe of this sort was precisely what Morse and Rogers were asking for and were unable to obtain. If he could achieve the large volume of production which the present narrow margin of profit made necessary to success, he could sell them shoes that were both better and cheaper than those that they were buying. On the other hand, his factory experience made him confident that he could attain this large volume of production by eliminating waste and inefficiency. Nor was it only waste and inefficiency that he intended to eliminate; he had set his face also against certain low standards of business morality.

In the heyday of the period of individual initiative in America, almost any likely young man could without much difficulty borrow a few thousand dollars as capital and set out on the high seas

of private adventure. The year 1894 was not remote from this golden age. With a firm like Morse and Rogers to buy his shoes and a man of Moulton's factory experience to become his partner, it was on the cards that William McElwain's search for capital might not prove so difficult as it looked.

As McElwain's plans thus grew in definiteness, it needed but the next move on Mr. Burt's part to precipitate the crisis. Without warning, word came to McElwain that his employer proposed to attempt the manufacture of women's shoes at Brookfield, a change that meant the throwing away of almost all that had been done there by Moulton and McElwain in the past year and a half. As if this were not enough, Mr. Burt informed his head salesman that further retrenchments were necessary: that, in view of the hard times, — they had just been through the memorable winter of 1893–94, — he must accept a reduction in salary. As for partnership, that was out of the question. These conditions brought William McElwain to the decisive step. Without loss of time he wrote his employer a frank letter of resig-

nation, and in June, 1894, having worked for him eleven years, parted company with him for good.

Such a step may seem to the man who takes it so inevitable as to appear commonplace; but it needs only to be looked at externally, from the critical vantage-ground of family and friends, to stand out as startlingly audacious. A young man, with a wife and child to take care of, gives up the security of a good salary to pursue a visionary project in which the chances seem heavily against him. To be sure, he has already shown ability and has done well; but what puts itself forward as sober and valid ambition so often proves to be mere restlessness and egotism that the general assumption rarely gives it the benefit of the doubt. In this crisis of William McElwain's affairs his father's comment—"Will might as well go into business for himself and fail, and then he will be satisfied and willing to work for somebody else"—had more charity and philosophy in it than many a criticism made by those who should have known better. On the other hand, the men who approved of his action were of his own age and had first-hand knowledge of the exceptional record

that he had already made. Temporarily, of course, it was a hardship that he possessed the confidence of no prosperous older man who might become his backer; but in the nature of things and in the long run this deprivation was bound to be to his advantage. Straitened circumstances, hard work, and ambition had given him his early victories in self-mastery; if he were to be wholly captain of his fate, he must win this battle too. From the defences of a salary that had been sufficient for him to make a saving of $2000, he had now to stand forth to receive the rebuffs meet for an unrecommended young man in search of capital. Such a campaign, prolonged for months, required of a fighter who would wrest the ultimate victory his utmost of courage, patience, and skill.

At the very beginning disappointment showed its head. Hardly was McElwain free from Mr. Burt before it became plain that his hoped-for partner could not, in justice to himself, be expected to join the enterprise. Many circumstances came into play to compel him to this decision, and McElwain's understanding recognition of this fact became only another link in the chain that bound

the two men together in friendship. By way of compensation he received almost at the same time promise of substantial help to his firm, when once he should have made a start. This offer came from Mr. Mellen Bray, owner of the house in which for the past year or more Mr. and Mrs. McElwain had been living in Newton Centre, near Boston, and a man in whom McElwain from the first had been happy in inspiring confidence.

After these two momentous events, McElwain was destined to a long summer of discouragement. He had to find a partner, a man with manufacturing experience; he had, moreover, to obtain a factory, and, as capital, a sum amounting to about $10,000. Sending his wife and baby to the country for the summer, he devoted himself to following up every suggestion which seemed likely to bring him to either one of these goals. The complications of a threefold search, the disappointment as one clue after another proved to lead nowhere, the vexation of long delays, when the latest man applied to took a little more time than usual in making up his mind to refuse; the necessity time after time of beginning all over again;

finally, the hopelessness of obtaining money in a period of general business depression,—all these difficulties required McElwain to draw on his last reserves of faith and persistence. One afternoon, at the end of a day of wearying and fruitless search, he came back to his father's house, threw himself upon the couch, and fell asleep. Here his younger brother found him. "For the first time in my life," writes Mr. Frank McElwain, "as I gazed upon my brother I thought that he needed help." The aspect of discouragement which the relaxed features assumed, however, was banished in conscious moments; for him to allow his belief in himself to flag was to cancel the chief condition of success, and so to an indifferent world he steadily presented a hopeful front.

The first justification of McElwain's faith came in the discovery of a small factory which he could obtain on advantageous terms. It was situated in Bridgewater, seven miles south of Brockton, and in size and other respects it was well adapted to the needs of a beginner in shoe manufacturing. The building adjoined a box factory, from which it obtained its power, and the two were owned

by a company of Bridgewater men who had contributed capital in order to attract manufacturers to their town. The shoe factory had not been successful, its proprietor having gone under in the bad season of the preceding year, and the building had now for some months mocked the sanguine expectations of its owners. The unfortunate manufacturer, who was none other than the man who had originally introduced the sixteen-year-old McElwain to Mr. Burt, now took his former protégé to look over the building and to interview some of the disillusioned participators in this sorry investment. "How much shoe business do you expect to do on $2000, and how long do you expect to run?" was the query put to McElwain by one of these men, the thought of his lost loans still rankling in him. If the question momentarily made the young man wince, it also stung him to do his best in giving a straightforward statement of his belief in the immediate opportunity for manufacturing a shoe of cheap grade but with Brockton style, and of his conviction that he could take advantage of this opportunity. To such good purpose did he set forth his plans

that he soon overcame the effect of the disparaging recommendation of his introducer. Circumstances were on his side in a measure, for the only way in which the company could hope to check its continuing losses was to get the factory into operation again, and this it could ordinarily expect to do only after hard times had passed and a season of prosperity was ahead. Realizing his advantage in this respect, McElwain, with all the skill that he could muster, urged upon the two men with whom he talked the reasons why they should lend him at least part of the money which he needed. After considerable discussion and delay, they agreed to assist him to the extent of $2000 apiece. If it was with much misgiving that they made their promise to the young man against whom they had been warned because he was "nothing but a boy," if they fully expected that these loans would go the way of the sums lent to the first occupant of the factory, their doubts did not dim the courage and hope of William McElwain. He had made a beginning.

After this he was not long in reaching the

conclusion toward which he was already tending, that his proper course was to begin by himself at once, with the hope of finding a partner later. All that he needed now, therefore, was $5000 to make up the amount necessary for his capital. He had at last gained courage to ask for the money in a quarter near home where hitherto he had not felt justified in making application. To his great joy it was promised him; with it and the $4000 obtained from the owners of the factory and $1500 of his own money, he had a total capital of $10,500. Early in September he moved his family to Bridgewater and began the multitude of preparations necessary before the first sides of leather could be cut and the machines of the factory set in motion.

This record of accomplishment made by a man not yet twenty-eight years old indicates the extent to which William McElwain had already developed in force of character. Self-control had been his from the first; then gradually it had been revealed to him that the strong will, thanks to which he could so easily put a check upon his own impulses, had a reach beyond himself, was of avail

to dominate others as well. The power grew with exercise; its scope increased, and also the precision of its operation. In personal appearance and bearing, it must be remembered, he had an asset the value of which was always immediately available. His carriage, his very walk, were resolute; the timbre of his voice, which was neither high nor low, loud nor soft, had distinction. His frankness and heartiness as of a big boy, the steadiness of his look, made themselves felt at the very first meeting. Insensibly one knew not only that he meant to do what he said, but that he could do it. Nevertheless, there was in him no such thing as pride in his own persuasiveness. If in this instance or that he had his way, it was, he believed, because his idea happened to be right, because what he proposed was, to use one of his stock phrases, "the logical thing to do." The truth is that what enabled him to prevail was the union in him of power to state with perfect lucidity what his dispassionate foresight had made clear to him, and of that disarming kind of masterfulness which makes its object congratulate himself upon the opportunity presented to him. Such a union is

rare; when it exists in a young man one may be sure that the field of action in which the combined forces operate will soon acknowledge a new master.

CHAPTER III

BEGINNING FOR HIMSELF

BRIDGEWATER, in the year 1894, still preserved the characteristics that for forty years had marked it as one of the oldest and most dignified communities in Massachusetts. A town of good size, where one of the State normal schools was situated, it was a traditional centre for the farmers of the western part of Plymouth County, and had acquired none of the qualities which marked its neighbors, Brockton, Whitman, Randolph, and Avon, as "shoe towns." Besides the shoe factory and the box factory already mentioned, there was an establishment for the manufacture of cotton gins; these three were all that bore witness to Bridgewater's departure from the ways of the fathers.

Long established though it was, Bridgewater was thus, industrially speaking, a frontier town; whoever came there to start a factory was as much a pioneer in spirit as the McElwains who, nearly two centuries before, with axe on shoulder, had fared into the wilderness between Worcester and

the Connecticut River. In the present case, hard work and a denial of familiar comforts helped to carry out the parallel: the pleasant home in a suburb of Boston and a good income this latest branch of the McElwains exchanged for two rooms in a country boarding-house and a salary of $20 a week. It was a family enterprise, too, for Frank McElwain, who was then just twenty years old and had completed one year of study at the Massachusetts Institute of Technology, gave up his purpose of obtaining a technical education and joined forces with his brother. So the three—for from the first the wife's interest was ardently engaged—worked shoulder to shoulder with the unremitting devotion and enthusiasm which is found when a small group sets out to wrest a living whether from the wilderness of nature or from the uncultivated places of the industrial world.

The task of preparation before Mr. McElwain and his brother was to get into condition a small wooden structure one hundred and thiry-five feet long, thirty-five feet wide, and three stories high, with an attic story under the pointed roof; the machinery was only partly adapted to the uses

to which it was to be put, and had, moreover, suffered deterioration from idleness and neglect. Then patterns and lasts must be selected, from which must be made up samples that should exhibit the material, construction, and style of the new shoes; and, when these samples were ready, wholesale dealers in Boston and New York must be visited and persuaded to give their orders for this untried make of footwear. Also the necessary purchases of leather and of "findings" must be arranged for. Finally, there was the problem of labor. For the adequate running of the factory Mr. McElwain required, besides a superintendent, seven foremen to take charge of the seven different departments or "rooms"[1] into which are grouped the numerous operations required in the manufacture of a shoe. Workmen were needed to the number of forty or fifty at the beginning,

[1] Roughly speaking, the upper leather is prepared in the "cutting room;" the sole leather in the "sole leather room;" the parts forming the upper are put together in the "stitching room;" the uppers are pulled over the lasts and tacked to the innersole and the lasts in the "lasting room;" sole and heel are attached to the upper in the "making room;" the finishing of sole and heel is done in the "finishing room;" the finishing of the upper is done in the "treeing room."

with the certainty of increase as soon as the work should be well under way.

This whole matter of getting the human part of his factory right was perhaps the most exigent of the young manufacturer's activities during these weeks before the whistle blew for the first time. In coming to Bridgewater Mr. McElwain understood, of course, that he had no chance of drawing to his out-of-the-way factory workmen from the rank and file of wage-earners in the Brockton district, but foremen of experience in the large and well-known establishments would, he hoped, feel that they could better themselves by throwing in their fortunes with his small venture. On their knowledge and skill as makers of high-priced shoes he must depend to obtain the effects that he desired in the cheaper shoes which he proposed to manufacture; on them, too, he must rely for the instruction of the untrained workers who were to be induced to come to his factory from the surrounding farms and villages. The first of the foremen thus engaged was John Kenney, who was employed in a welt (Goodyear) shoe factory in Whitman, seven miles from

Bridgewater. Riding over on his bicycle one morning in season to find Kenney before he went to work, Mr. McElwain made a contract with him to take charge of the finishing room, the understanding being that he was to give to the heels and edges of the soles of McKay shoes the kind of finish that he had been putting upon welt shoes. He was also to give them a "bottom finish," an element of attractiveness which hitherto had not been possessed by cheap shoes. Within a few weeks a satisfactory foreman for the treeing room was found, and so from the start in October, 1894, Mr. McElwain was able to give to his product the most conspicuous of the qualities of style which he was determined that it should have.

What seemed more important than all, however, was the partner whose manufacturing experience would enable him to discharge the duties of superintendent; for with the work of buying and selling to attend to, Mr. McElwain himself would naturally be often away from Bridgewater. As a counsel of necessity, therefore, he entered into partnership with Walter F. Shaw, who brought over from his small factory in Elmwood, a village

Whitman Oct 1st 1894

A contract entered into on the one hand by Wm H. McElwain of Bridgewater Mass and on the other hand by John F. Kenney of Whitman Mass. The said Kenney agrees to work for the said McElwain as foreman of the finishing room of McElwain at his shoe factory at Bridgewater for a term of one year from Oct 16th 1894. The said

Contract addo.

Wm H. Mc Elwain

John Y. Kenny

Lectures

James McNeil

Kenney further agrees to perform his duties faithfully and to the best of his ability and as foreman of his room to endeavor to keep the cost of his department as low as can be reasonably expected by any manufacturer of the same grade of shoes

In consideration of Kenney duties thus performed the said Elevain agrees to pay the said Kenney the sum of Eighteen Dollars ($18.00) per week during the year that this

Contract holds.

Wm H. Mc Elwain

John T. Kenny

Lectures

James McNeil

Kenney further agrees to perform his duties faithfully and to the best of his ability and as foreman of his room to endeavor to keep the cost of his department as low as can be reasonably expected by any manufacturer of the same grade of shoes

In consideration of Kenney duties thus performed the said Eldridge agrees to pay the said Kenney the sum of Eighteen Dollars ($18.00) per week during the year that this

near by, machinery, stock, and workmen, thus making a contribution of capital to the firm of McElwain and Shaw about equal in value to the capital with which Mr. McElwain had started. The cash which Shaw also contributed, though small in amount, proved particularly welcome, for by January, 1895, the operation of the business had resulted in a dead loss of $1600, a sum larger by $100 than Mr. McElwain's original contribution from his own purse.

With the organization still crude, the foremen of varying degrees of efficiency, and the help untrained, this loss was perhaps not to be wondered at. In these first months the volume of production was not what it should have been, and in workmanship the shoes did not always reach the desired standard. But if in the manufacturing department it was up and down as to quality and quantity, in that part of the field where Mr. McElwain himself was master the business experienced better fortune. Besides his promptness in meeting customers' complaints about the early shipments, besides the extent of the sacrifices that he was willing to make to fulfil his obligations to them, be-

sides the excellence of the material which he put into the shoes and the completeness with which he explained their construction,—over and above all these things, the strength and sincerity of the man himself laid firmer hold upon those with whom he dealt than if every pair of shoes had been shipped from his factory absolutely on time and had been found to be as flawless as his samples. With both the men of whom he bought and those to whom he sold he had his way not because they thought him clever,—indeed, his manner was so simple and ingenuous that many people at first underrated his ability,—but because they could not help believing in him. Along with the magic gift of inspiring confidence, he had the even greater gift of being incapable of betraying it. This fact honest men knew by instinct, and they trusted him. One of his backers, Mr. Samuel P. Gates of Bridgewater, repeatedly accommodated him with the cash for his weekly payroll; a prosperous leather house in Boston gave him, in the very first year of his business, a larger credit than any other firm on its books; a friend insisted on lending him the small amounts he

saved from his salary; foremen came to work for him at less wages than they could get elsewhere; old customers increased their orders and new ones gave him a trial. So from the beginning the greatest asset of the business was Mr. McElwain's character; in the first year it was all that saved things from complete shipwreck.

By reason of the mixture of fortune, bad and good, in the early months of 1895, it was hard to predict, as the season drew to an end, to which side the balance would fall. Naturally in such circumstances, the mood of discouragement was often prevalent in the factory. The partner, alarmed at the way things were going, was anxious to extricate himself from his dangerous situation; Mr. McElwain, when the time for stock-taking came, felt the general sense of gloom to such an extent that he omitted the appraisal as a useless formality. In his perplexity as to where he stood, he appealed to Mr. Walter Child, from whom he had received good counsel many a time since the day when he had first learned how to master the lore of Burt's order book. Together they sat down to a study of the accounts of the firm. After a long even-

ing devoted to analysis of figures, they reached an inspiring conclusion: orders already on hand were earnest of sufficient work for the next season, and the factory had at last achieved and maintained a volume of production which, if continued throughout the year, would mean an annual profit of several thousand dollars.[1] The figures by which this estimate was reached were clear of all unknown quantities in the shape of "ifs" and "buts," and constituted a demonstration to which a lender of capital must listen with respect. From Mr. Mellen Bray they brought a prompt response, and the help which he gave at this second crisis of Mr. McElwain's career was even more welcome than that which he had proffered a year before.[2]

With the money thus provided Mr. McElwain proceeded at once, in July, 1895, to buy out his partner's interest, the dissolution of the firm being accomplished without regret on either side. Shaw had come to regard with increasing alarm

[1] When the accounts for this season were finally made up, it was found that the profits had made good the $1600 lost in the first season.

[2] The loans were made through the Newton Centre Trust Company, of which Mr. Bray was a director.

the "wildness" of McElwain's schemes; McElwain had come to see that, necessary as a partnership had been to him at first, in the long run it was an impossible arrangement. The methods and principles on which the manufacturing and the merchandising parts of the business must be built up were too completely the product of his single brain for any portion of the undertaking to be entrusted to one who could act with equal authority. A year earlier Mr. McElwain had travelled so far on the road to independence that he could not continue under an employer; now he had gone a stage further, and saw that he could no longer work in harness with a partner. He must stand or fall alone; he accepted the full burden on his shoulders as resolutely and as willingly as he opened his arms to the opportunity.

The point at which during these first years Mr. McElwain's progress was perhaps slowest was that of the selection of his lieutenants; by the same token, every gain here made was all the greater in its significance for the future. Mr. Frank McElwain had almost from the first made the merchandising part of the business his spe-

cialty; during the summer of 1895 Mr. Charles J. Prescott came to take charge of the office work. Both had been members of the class at the Clarendon Street Church over which, not so many years before, Mr. McElwain had held sway; further recruits for the organization were later to be drawn from the same source. The next addition of importance, in April, 1896, was that of Mr. Fred L. Emerson, who took the position of superintendent, for which no satisfactory person had been found since the dissolution of the partnership. When, within the next year, Mr. Charles M. Thompson was brought in to manage the making room, Mr. McElwain had no difficulty in giving to his shoes all the technical points of style and workmanship which had been in his mind from the first and some of which it had heretofore been beyond his power to achieve.

In these first three years of imperfect equipment and organization, the one thing that could make good all the inadequacies of the situation was overwhelming industry and unfailing enthusiasm on the part of the head of the business. The pioneer must have a knack for finding the thing that needs

to be done next and for doing it, no matter how remote from his special talents may be the field in which it lies. So William McElwain turned his hand from one piece of work to another according to the necessity of the moment. As is always the case when the scale of things is small and means are restricted, everything demanded disproportionate expense of time and effort. The frontiersman's woodpile costs him days of arduous labor; similarly, in a shoe factory which lives only from season to season, the owner, besides attending to the buying, selling, financing, and figuring of costs, besides being required to settle questions brought to him from every department, must answer his correspondence by hand, and, as often as not, employ his spare moments in filling in upon the "tags" the twenty or more sets of figures which constitute the specifications for the making of each case of shoes. If in all such matters Mr. McElwain set an example of tireless effort, it must be admitted that his subordinates were not far behind him. Hard work and enthusiastic work was their watchword; no matter what the pace he set for them, they pressed him close.

Labor of this character, having tided things over the first two or three seasons of insecurity, at last resulted in a record full of promise, though not yet brilliant. From the increase in the business Mr. McElwain was able both to repay in part the money he had borrowed and also to make additions to his capital. His practice, adopted from the beginning, of paying his bills promptly, with interest added in case of even one day's delay, won for him the confidence of all the firms from whom he made purchases. Furthermore, since his statements were always satisfactory to the banks, his ability to obtain money on favorable terms grew apace. Indeed, it may be said in passing, his light-hearted aphorism that "finance means nothing but getting hold of money when you want to pay your bills" is highly expressive of his good fortune in practising this difficult art; by inference it demonstrates also his early realization of the truth that the soundest financial operations are those based on a foundation of solid accomplishment. Other sums so obtained went to the Bridgewater Box Company, which owned the factory, to enable it to make the attic story of the build-

ing fully available for his use. Since he was thus able to increase his output, he had a profit, at the end of the second season of 1897, of $10,000, an amount over four times larger than that which the books had shown for any former half-year.

Among the causes contributing to this result, the acceptability of the goods which Mr. McElwain had now acquired the skill to manufacture must be reckoned as one of the first. Not only was there an increasing demand for McKay shoes from quarters where heavy pegged or nailed boots had formerly been worn; the hard times following the panic of 1893 drove many persons who hitherto had bought nothing but expensive shoes to search for an article that satisfied their taste and cost less. The time when Mr. McElwain began to put his shoes upon the market was therefore especially opportune, and of his opportunity he made the most. Though not a "practical shoeman" in the sense of knowing how to operate machines which are used in making a shoe, he had definite ideas as to what constitutes good taste in shoes and also the power of inspiring his subordinates to carry out his ideas in detail. One thing that he did by

way of rendering his product more attractive was to individualize different types of shoes by giving them names,—a practice the advantage of which had hitherto received only slight recognition. At the time of the discovery of the Roentgen ray, for instance, he went to Nicola Tesla and made arrangements to get an X-ray photograph of a foot for use as an advertising device. The novelty of the name and the photograph soon gave the "X-ray shoe" a wide reputation.

In view of the outcome of the year 1897, it was no more than reasonable to consider the day of small things past and to make adjustments for meeting the exigencies of the future. The factory was already inadequate in size; but owing to the limited resources of its owners there was some doubt whether they would or could do anything to enlarge it. Ample space the business must have, however, if not in Bridgewater then in some place more receptive. Finally, in January, 1898, the Box Company notified him that his increased demands for power and heat could be met by it for only six weeks longer.

This situation Mr. McElwain had presented

to a group of citizens of the town, and they were engaged in canvassing the possibility of raising the $12,000 or $15,000 that a building suitable for his needs would cost, when fate took a hand in the game. Early in the morning of February 4, fire broke out in the factory, from what cause it was never possible to discover; the flames were fanned by a high wind, and within two hours the building was a mass of ruins. The stock and the shoes with which the factory was filled were totally destroyed; nothing but the books in the safe and one box of records was preserved unharmed.

Except for the fact that there was insurance sufficient to cover the value of the goods destroyed, fortune could apparently have chosen no more inopportune moment in Mr. McElwain's career for striking at him. He had only just begun to deliver the season's production; for him now to fill his orders was to all appearances impossible; to fail to fill them meant the loss of the customers whom he had worked so hard to win. Without an instant's hesitation as to the course he would adopt, he sent instructions to his brother, then on

the road, to keep on selling goods and to promise delivery at the end of four months. Then he went to work to find quarters in a neighboring town, and there, six days after the fire, he began the making of his samples; he notified his creditors that the fire would not affect his business, and that he would pay his entire indebtedness within a week;[1] the superintendent, foremen, and office force he set to the business of making an inventory of the machinery, stock, and goods partly or wholly manufactured that had been destroyed; he reached a settlement with the insurance company, this transaction occupying a minimum of time owing to the scrupulous accuracy and thoroughness with which the statement of losses was made up; last of all, he was successful in persuading his fellow-townsmen to undertake the erection of a factory for his use. Of the project already on foot he now reaped the advantage, for the $28,500[2] needed for the building was raised in short order,

[1] *Boot and Shoe Recorder*, February 9, 1898.

[2] Of this amount $17,300 was subscribed by citizens of the town; Mr. McElwain contributed $1200; the remaining $10,000 was raised by mortgage.

and with a good will of which a month before nobody would have dreamed Bridgewater spirit capable.

In point of fact, the destruction of the old factory had cleared the ground at the precise moment when the new order was ready to be established. One after another changes had already been made, the aim of each of which was to make possible the regular and uninterrupted flow of goods through the factory; here was an opportunity to plan the building so that no device should be wanting which contributed to this end, whether in arrangement of machinery, in means for moving material from place to place, or in standardization in general. While the construction of the building was going on, Mr. McElwain and his superintendent had days and weeks to give to that work of thorough planning which is now everywhere recognized as essential in industrial operations, but which, in the remote year of 1898, had been found to be important only by exceptional men, who, it must be remembered, were working in ignorance of each other's experiments. When that task should be accomplished, the "sheet system"—

the scheme by which, during every hour of the day, the manufacture of a given quantity of material should be forwarded a given distance, according to a pre-arranged schedule—would be ready to put into operation.

The perfection of the plan was demonstrated when, in the latter part of July, the new building, as complete as thought and money could make it, was ready, and the machinery set in motion. As Mr. McElwain had watched the men break ground and had seen the length of this two hundred foot structure which he was putting up, he had exclaimed at his audacity in expecting to keep running a factory of that size. Nevertheless, beginning moderately, the output was increased steadily, by predetermined amounts, until it reached 2400 pairs a day; at this figure it was maintained without difficulty. The perfection of the plan was further demonstrated by the showing of the next half-year. In spite of the fire, the profits of the last six months of the year were $8000. In 1899 the profits of the two seasons were only a trifle under $60,000, an astonishing result to be achieved by a man who five years

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before had started for himself with only $1500 of his own money.

It was a signal achievement for William McElwain to have established himself at the age of thirty-two as a manufacturer with a solid reputation; but the basis upon which that achievement rested is the thing most worthy of remark. His powers were all held in fealty to an ideal of uprightness, and so his character had that effect of unity to express which we have reserved the word integrity. It was loyalty to the form of perfection that he had created for himself which made him repeatedly in his business risk the sacrifice of gain for the sake of having a thing done right; which made him conduct all his business transactions according to what one of his associates calls a "broad-minded interpretation of common honesty." When, for example, after the fire, he made no extravagant claim on account of loss, reached a settlement with the insurance company, and paid all his debts at the earliest possible moment, he was acting upon what seemed to him nothing but common sense and the most elementary principles of fair dealing. Yet the incident

bred astonishment and then reflection on the part of those to whose knowledge it came. They would have been even more astonished if they had known that only two years after he started his precarious business venture, learning that the house in Newton Centre had stood empty since Mr. Bray cancelled for him the remainder of his lease, he had sent his former landlord the $1000 which he would have owed him if he had been still occupying the house. Many people were destined, as long as Mr. McElwain lived, constantly to suffer a shock of surprise when he did things of this sort. From the first, as has been said, he included interest with every bill that he paid behind time, if it were only a day, and many and many a story could be told illustrating his "interpretation of common honesty" along this line. For instance, a customer, finding that he had received a shipment of goods with a cheaper counter in them than he had paid for, asked for an allowance of two and a half cents a pair on a few hundred pairs; on looking up the case and discovering that through some error shoes for this customer had been made with the cheap counter for almost two

years, Mr. McElwain explained the whole thing to him and enclosed a credit bill covering the entire period. Similarly, if at any time conditions changed so that he could do better by a customer than he had promised, he always did so. And all this was as much a matter of course to him as putting one foot before the other when he walked.

How little his success seemed to him an end in itself appears from his attitude toward the formal education that he had relinquished when at the age of sixteen he left the English High School to go into Mr. Burt's office. The reading which he had done in history, economics, and literature, as shown by the list already given of the books he bought, the high quality of intellectual work which he lavished upon the problems of his business, the vigor and refinement of the emotional side of his nature,—these gave him a right to the title of educated man, if ever any one deserved it. Nevertheless, belief in the value of a college education, both in itself and as a preliminary to study for one of the professions, was ingrained with him. The career of the professional man, which for him in its ideal aspect stood for the

devotion of a highly trained mind to the service of the community, still kindled his imagination as ardently as when he had listened to the preaching of Phillips Brooks. Now, however, his desire was not to enter the ministry, but to practise law. Shoemaking in itself made no intrinsic appeal to him, —as one of his associates said, "he never loved a shoe,"—and the industry at this time still seemed to him to be of that restricted sort which contributes its rewards to the pocket rather than to the brain and affords no real opportunity for service. Therefore he proposed to prepare himself to enter Harvard College on the way to the Harvard Law School, and, as soon as the balance sheet should warrant it, to retire from business altogether and to begin study for a legal career. Summoning his chief lieutenants, he imparted to them his plans and indicated how his work should be apportioned among them after his withdrawal. Their protests availed nothing; the only comfort they had was in the fact that the volume of production, 4200 pairs of shoes a day, the attainment of which was to signal their leader's departure, seemed still several seasons in the future.

Full of his purpose, Mr. McElwain fitted up as a study a room on the third floor of his house and began to study Latin with one of the teachers in the Bridgewater Normal School. For six months he continued faithful to his plan, but the call of the office then proved too urgent and all thought of Latin and of law had to be abandoned. At one time, when he was still dwelling upon this scheme, he happened to fall into conversation concerning it with Mr. Louis D. Brandeis, now Justice Brandeis, whom he had come to know in connection with the settlement of his insurance claim after the fire. Mr. Brandeis strongly advised against the course on which he was entering. "You can accomplish more," he told Mr. McElwain, "from the pedestal of a successful business man than from the pedestal of a successful lawyer." Incredulous though the manufacturer was at the time, the sudden turn which his business took, within a year or so after the opening of the new factory, disclosing a succession of problems that would tax to the uttermost both intellectual and executive faculties, made him realize that college courses, with their prescribed reading, lectures, note-books, and ex-

aminations, constituted an educational apparatus little adapted to his present stage of development.

Truth to say, his brain could not now be turned back to run through grooves channeled for green minds; it had already revealed its disciplined and creative force in the perfection of the sheet system. To comprehend the range of his powers, it is necessary to study them at work there.

CHAPTER IV

SHOE SYSTEM

IN 1883, when William McElwain entered the employment of George H. Burt, any manufacturer of the cheaper grades of shoes demanded and could get a profit of approximately twenty-five cents on each pair. In the next decade, however, competition made severe inroads upon this amount, and, as has been said, at the time when Mr. McElwain started in business for himself it was plainly destined to be cut still further. Since a new manufacturer must therefore look forward to a steadily diminishing profit per pair from this cause, he must manage to achieve a large volume of production. As one way of attaining this end, he might improve the efficiency of his factory; as another, he might run it more weeks in the year. The first of these ways was so rich in opportunity that it was obviously the place to begin; moreover, it promised quicker returns.

In improving the efficiency of a factory an employer may seek to obtain a larger product by means of greater skill on the part of his workmen,

or he may take measures to assure himself that they are employed in productive work for the greatest possible number of minutes in their working day. Here again the place to begin was clearly indicated to Mr. McElwain, for throughout the factory his employees were, from one cause or another, constantly subject to delays.

In the production of shoes the principle of subdivision of labor has been pushed to such a point that a workman in most cases performs only one operation. This fact in itself "fences his range of error" and renders needless the elaborate instruction card of the machine shop. Nevertheless, here and there an operative may be delayed by the necessity of noting minute and arbitrary differences between one portion of his work and another. If, for example, having driven, on one dozen pairs of shoes, a row of nails, or slugs, all the way round the curving edge of the heel, he is obliged with the next dozen to put them in irregularly at specified intervals, he is distracted by the necessity of stopping first to comprehend the changed orders and then to assure himself that he has complied with them. Constant pausing to note

and to carry out differences in construction or in finish means a not inconsiderable reduction of the productive moments of the worker's time.

The device that Mr. McElwain put into effect to diminish these delays was the further simplification of his product. In this country, only a few firms that made both men's and women's shoes attempted to manufacture them under the same roof; but the principle thus recognized had been carried beyond this first step in few, if any, cases.[1] Shoes of different grades in size—men's, boys', and little men's—and of different grades in price—$2, $2.50, and $3—and containing different numbers in a lot—two, three, and four dozen—were frequently handled by one man in the course of one day's work. Mr. McElwain reached the conclusion that he would make none but men's McKay shoes of a grade to retail for $2, and that in style his lasts and patterns should be as simple as was practicable. Furthermore, he established a standard covering all the details concerning which

[1] In its exhibit at the World's Fair, in Chicago, in 1893, one well-known firm, which ran six factories, made much of the fact that it manufactured four hundred varieties of men's shoes. *Boot and Shoe Recorder*, May 31, 1893.

the caprice of the retailers had heretofore run riot, —the kinds of the slugs in the heel, the finish of the bottom, etc.,—and from this standard he refused to deviate. The right to specify these characteristic details the jobbers relinquished reluctantly, for they knew that each retailer made much of the circumstance that the shoes on his shelves possessed a distinctive mark not to be found on goods sold elsewhere; but the uniformity to which the jobbers objected on behalf of their customers meant likewise a uniformity of excellence in quality and of lowness in price, and before such relentless facts they gave way. These methods of simplifying and standardizing the product went into full effect when the new factory was put into operation; the increase in production due to them was at least twenty per cent.

But other causes had been far more productive of delay, and it was at their root that Mr. McElwain laid the axe most effectively. An unprofitably large proportion of time was spent by the operative in getting into his possession the material upon which he was to work. Instead of staying by his machine and having the work brought

to him, he himself went for it to the place of supply. If he had good luck, he obtained without delay all the parts needed; but as often as not his luck was bad. In the lasting room, for example, where a number of the parts of a shoe are assembled and fastened together upon a last, the workman might find any one of these parts missing. The bundle of inner soles might be omitted, or one left last might be gone, or the lasts with which he was supplied might not fit the uppers. There was then nothing to do but hunt for the missing parts, and there was no one to hunt but himself; so he embarked on an enforced excursion which might take him into almost any part of the factory. Being engaged in random search, he naturally wasted time, to the further detriment of his own and his employer's welfare. The upshot was that a piece of work which should have taken twenty or twenty-five minutes might consume an hour.

The explanation of this state of things, which prevailed throughout the industry, is to be found in fundamental conditions in the manufacture of shoes.

The number of parts that go to make up a shoe is 36; the number of processes through which, singly and collectively, these parts are put is 304. In all, the material has to be brought to 127 machines, to say nothing of 93 stations where operations are performed by hand. These requirements mean the frequent and orderly moving from place to place of great quantities of material. As a first aid to system the pieces of material of one kind—vamps, tops, heels, or outer soles—that will ultimately constitute one case of shoes are tied together and tagged; but at every station these bundles must be untied and the units of which they are composed must be put through the machine one by one, and then brought together again into the case unit. Thus the manufacturing of a shoe, besides the mechanical processes, involves a series of pilings, unpilings, and removals. Finally, as if in these requirements there were not sufficient opportunity for confusion, the composition of the case is itself a further cause of trouble. Every case contains an assortment of sizes, and a division into rights and lefts. If a single shoe be missing, therefore, the providing of a substitute quickly is

impossible; the whole case is held up until the lost article has been found or one precisely like it procured; under such circumstances there might not infrequently be an interval of two or three weeks between the completion of the first and the last cases of one order of goods. The cost of such confusion in time and temper could well be considered immeasurable.

That these conditions had for years been looked upon as practically inevitable and that no systematic attempt had been made to remedy the evils flowing from them is indicative of the quality of intelligence available for the management of the shoe industry during that period. Things were unquestionably improving, for closer competition was slaying many of the inefficient; in a few establishments some superintendent or foreman, with energy derived from despair, had had a spasm of planning that improved matters here and there. Still, in spite of these evidences of progress, no one had yet possessed the hardihood to grapple with the problem as a whole. It was a matter that was "up to the workman;" the management had other things to attend to.

Of what could be accomplished, however, by planning, Mr. McElwain had early received an illustration in one of the departments of his own factory. The stitching room, where the uppers are made, occupied, when Mr. F. A. Brackett came to take charge of it early in 1895, a narrow space extending the length of the factory and only half its width. It was so crowded with machines that it was impossible to run a truck down the aisle. The place to which the operatives came for their supply of work was choked with a mass of material, the confusion of which increased with every day. By reason of this confusion the output of the department was far below what it should have been, and the foreman of the next room was clamoring for the wherewithal to keep his hands busy. The new foreman of the stitching room, procuring cheap boards from the box factory and the waste lumber about the place, knocked together four tables. Into the compartments of the first table he sorted the bundles containing what was needed of the different materials—linings, vamps, tops, tips, and trimmings—to make a case of uppers, the total quantity on the table

being what should constitute a day's work for the room. The entire contents were carefully listed on a sheet of paper, and as the operatives came up for their bundles the amount given out to each was checked off. At the end of the fourth day,—four days being the length of time required for the work of the stitching room,—the uppers into which this material had been made were due upon this table, whence, after inspection, they could be moved on as a whole to the lasting room. Meanwhile, the other three tables had in turn been put to similar use, and on the fifth day the first table was clear for a fresh day's work.

A piece of systematization so elementary could of course be found in other factories,[1] but nowhere, as has already been said, had the idea received development. Though it would appear that such a scheme, if applicable to a part of a factory must be applicable to the whole, that inference had not been drawn by any owner. The kind of work for himself that such a change would in-

[1] One factory, at least, with which Mr. McElwain was familiar had adopted the practice of making a list containing the orders started each day, with the dates when they should be ready for shipment.

volve occupied but small space in his conception of his duties, which were numerous enough, at best.

No less numerous, certainly, were Mr. McElwain's, and no less heavy the burden which his business, with its undeveloped organization, required him to shoulder. Nevertheless, when once he had had the vision of systematizing the production of his factory as a whole, he regarded its realization as more important than anything else. For him an idea, a theory, was not a mere intellectual abstraction, to be apprehended for the moment and then forgotten; as with all men of executive force, it was a thing to be conceived instantly in terms of action. A power took possession of him and gave him no rest till he had bestirred himself to make theory fact.

What he now imagined was a factory operated, as is a railroad system, on a fixed time-schedule. Upon a predetermined amount of material, which would ultimately constitute, let us say, twenty-five cases of shoes, — the numbers of the cases with some specifications as to their contents being set down on a sheet of paper, — work was to be

begun at seven o'clock in the morning. When the noon whistle blew, all that material was to have gone through a fixed number of processes and thus would be advanced a definite stage on the road to completion. In the afternoon the group of cases indicated on the "sheet" was to be carried along one stage farther, no more, no less; and at the end of the day the last case on the sheet was to be ready without fail to leave that department or section of a department, and to follow its fellow-travellers into the next. Thus by five-hour stages this unit was to move forward in its integrity, and when it reached the end of its journey in the packing and shipping room not one of the 1200 pairs of shoes composing it should be missing. The express train was to roll into the terminal precisely on time.

Without a time-schedule, operation of a railroad would be impossible. A factory, on the other hand, can be so operated; thus untheoretical manufacturers had left the element of time unstudied and allowed the production of their factory to advance by hitches and halts. Consequently the notion of a standard running time which was to

control the movements of every worker under the roof of a shoe factory was utterly revolutionary; moreover, it touched practice and experience at so few points that it might well seem the work of a pure theorist suffering from the hypnotic suggestion of a maker of railroad time-schedules. For Utopia it was perfect,—for Bridgewater, impossible. So felt Mr. McElwain's young lieutenants when he put his scheme before them. But as they brought forward one practical difficulty after another, he met each with an answer which, they were obliged to admit, satisfied every objection,—namely, more planning. Standards of time for every operation must be calculated; the movement of supplies must be studied so that they should reach their respective stations at precisely the moment when they were needed. In short, no expense was to be avoided, no sacrifice foregone, if it would contribute, even slightly, to establish the operation of the factory upon a strict time-schedule basis.

Although in advance of trial skeptics might finally allow their doubts of the scheme to be laid, it was not till it was put into effect that the radi-

cal nature of the change was fully borne in upon them. Then it began to seem that Mr. McElwain had reached the paradoxical point of demanding that the first care should be given to maintaining the integrity of the new system; considerations of the excellence of the product made by means of it or of the expense of maintaining it were, it would appear, a secondary matter. In other words, perfect adherence to the time-schedule was all-important; the paramount duty of the railroad operator was to be brought over into this other industry and to become the paramount duty of the shoe manufacturer.

The rigidity of Mr. McElwain's adherence to this principle revealed itself in rather startling instances. On one occasion, owing to a temporary difficulty in getting a certain kind of leather, the supply ran low and was likely to be exhausted before a fresh amount could reach Bridgewater by the usual course of freight transportation. Upon learning of the threatened shortage, Mr. McElwain dropped all his work, took train for Boston, bought enough leather to tide over the threatened difficulty, and arranged to have it shipped to the

factory by express at the earliest possible moment. It arrived in time and the operation of the sheet system suffered no impairment. On another occasion the scarcity of leather in the market brought things to an even more serious pass and the Upper Leather Department found itself unable to deliver any goods at all. When Mr. McElwain was asked for instructions in the emergency, his wrath at this failure to anticipate conditions expressed itself in one angry imperative: "Cut paper."

The notion of a shoe factory devoting a portion of its day's work to making shoes with paper uppers rather than cause a break in the fulfilling of schedule time was so startling as to set even the slowest minds to thinking, and to bring them step by step over the road which the master mind had already travelled. For once, it is true, the factory might make paper shoes, but that grotesque product would not be turned out more than once. The demonstration of disaster, insistence that, a mistake once made, its consequence should not be covered up, was, Mr. McElwain felt, the only way to bring home to his force the vital impor-

tance of planning. Every step must be thought out in advance; as in a surgical operation, the unexpected as well as the expected must be provided for.

By such means Mr. McElwain trained his workers, until with them, too, the sheet system became a cardinal point of doctrine. Moreover, the justification of overwhelming success would soon have beaten down into silence the most hidebound objector. The increased production at once brought greater profits to the owner and enabled the employees to earn as much as operatives working in factories where the piece-rate was higher or where higher grades of shoes were made. The system also had the permanent advantage that every detail in it had been so thoroughly thought out that it could be adjusted to any requirements of growth. The new Bridgewater factory, where it was first introduced in its entirety, had a daily production of 1500 pairs; to-day, the same system, unmodified in any essential part, serves for a production of 37,500 pairs, and in the McElwain offices in Boston the planning is done which con-

trols by half-days the work of 6500 operatives in twenty-one factories.[1]

Perhaps the most remarkable thing about the sheet system was the capacity which it soon revealed of accepting refinements in almost innumerable minute details. Most of these refinements are too technical for discussion here, but it may be said that they had to do with putting upon each sheet the right proportion of the various styles of patterns, finishes, etc., which the orders on hand required the factory to turn out. That is, the make-up of each sheet was so adjusted as to give no department either an overload or an underload.[2] Then, too, the sheet system, through standardizing the performance of the room or department, prepared the way for standardizing the perform-

[1] The total number of operatives in all departments in all factories is 8500.

[2] For example, orders for shoes of patent leather and Russia calf, which require increased labor in the treeing room, must be put upon a sheet in limited quantities, in order not to overload the department; samples, which can be made only by the most skilled workmen and at a slower rate of speed, must be carefully distributed, and not bunched; on the other hand, since tan calf shoes require at one stage a process used on no other kind of shoe, enough orders for them must be put upon each sheet to give the operatives in that room full work.

ance of the individual as well. Still another application of it, in the distributing department, will presently receive attention.

The sheet system was an admirable solution of Mr. McElwain's factory difficulties, but what gave it its distinction was the executive force that its originator brought to bear in introducing and maintaining it, and the high standard of performance under it that he insisted upon. By virtue of this force in him, his subordinates lived under a discipline which, although of military strictness, had its springs not in mere rule and routine but in the personal ascendancy of their general. Troops so commanded and inspired have given campaigns and battles their fame; an industrial organization, under similar leadership, has its victories no less. Mr. McElwain himself, however, read the meaning otherwise. What he repeatedly said of his later achievements,—"It does n't amount to anything; anybody could have done it,"— he would have said of this. For him the lesson lay rather in the revelation of what may be wrought in the world of industry by study and planning. The passion for knowledge, though it had never been

stimulated—or extinguished—in him by a college education, made him demand from his executive force all the information that they possessed concerning factory processes: "he required facts far beyond the point where another man would have considered the case closed." The data thus collected he and his immediate subordinates pored over, as a chemist pores over the data derived from his laboratory experiments, until they had evolved a result which would withstand attack from all quarters. In effect, he was organizing a planning department that was no less perfect because its scale was small. Without knowing it, he was one of the men engaged upon the foundations of the structure that has since emerged as the science of management. The workers have now touched hands, and their work is known of all men; then each was laboring by himself in the dark.

Thus did Mr. McElwain's experience in introducing the sheet system give him the conviction that in business the acquisition and the employment of systematic knowledge are matters of the first importance. "There was no subject too small for him and none too big, and nothing could get

him off that subject until he had completed it,"—so says one who knew. An interesting illustration of the way in which he trained himself in methods of analysis is to be found in the fact that he had his desk supplied with a pad of paper down the left-hand margin of which were printed the words, "1st step," "2d step," and so on to the "32d step." When he wished to find out the most expeditious routine for an operation, even if it were no more than opening the morning mail, he reached for this pad and began jotting down in order the elements into which the process as actually performed resolved itself; from the information so tabulated he could easily ascertain the points at which the process was needlessly elaborate. Every clerk's work, for instance, was "carved up" in this way, and as a result, more than one found his duties reduced, even though he himself had not supposed some of them unnecessary. Although this device was of course limited in its applicability, its use could not help confirming in him the habit of thorough analysis. "Even in the smallest and most unimportant questions he insisted that facts should be considered

on a logical basis. A manager who thought illogically on small matters irritated him and he would always spend time enough to show him that his process of thought was not correct. A new question he would separate into its logical divisions instantly, as if by instinct." Again, when he had worked out a method of procedure and it was being tried, he maintained the same clear logic in distinguishing between the "scheme" itself and its execution: the plan was not abandoned because difficulties of execution made it seem to some one incorrect. If, on the other hand, he became convinced that it was indeed the plan which was at fault, he abandoned it instantly, no matter what it had cost in time and money; in this way one scheme of procedure after another was, in the course of years, thrown out. The people who called him "system mad" could hardly have understood how completely, in his relations to these numerous plans, he held the reins of mastery; the people who called him "changeable" were entirely blind to the ideal in the light of which his marvellous power of admitting his mistake and altering his course was revealed as the most perfect consistency.

So, with singular originality, William McElwain made his business serve as the discipline of scientific education. The reverence for truth which the scientific training nourishes received the same sustenance in this other atmosphere and kept his whole moral nature sound and vigorous. He studied and planned because so only, instinct told him, could he discover the *right* thing to do.

This systematic organization on the manufacturing side proceeded almost simultaneously with a similar process on the merchandising side. Here Mr. McElwain's principle of making a study of his business produced results no less striking.

During the '90's, shoe manufacturers, in their search for economies that might restore some of the profits of which increased competition was depriving them, had devoted much attention to new ways of getting their product to the consumer. William B. Rice, of the firm of Rice and Hutchins, writing in the year 1895, described their efforts as follows: "Some have made alliances with jobbers who take most of their production and sell it at a nominal profit. Others have opened on their own account

retail stores in the larger cities of the country and claim there is but one profit from the manufacturer to the consumer."[1]

These new moves on the part of the manufacturers portended evil days for the wholesale dealers, who hitherto had practically controlled the distribution of shoes for the entire country. In view of their narrowing profits, only those who were able to do a very large business every year could hope to maintain their standing.[2] The day of the middleman was over, they were told, and this dark saying, as many of them had good reason to believe, was likely to prove all too true.

These being the conditions of the field, the young Bridgewater manufacturer needed to choose his course carefully. At first, as has already been said, the entire amount of his small product had been taken by Morse and Rogers and a few other wholesale dealers with whom he had estab-

[1] *One Hundred Years of American Commerce*, vol. ii, p. 572.

[2] The most prosperous houses alleged an annual volume of business between $4,000,000 and $5,000,000. A house doing less than $1,000,000 worth belonged to the third or fourth rank. *One Hundred Years of American Commerce*, vol. ii, p. 572.

lished personal relations. In the year 1897, he had, under the name of the Boylston Shoe Company, made an attempt to sell certain kinds of shoes direct to the retail trade, but the factory fire had brought this venture to an inconclusive termination. Now, however, with a factory making nothing but men's $2 McKay shoes, he was obliged to determine whether he had or had not need of the wholesaler. The expense of distributing shoes through the wholesaler was not small; on the other hand, with the medium-priced and undistinctive goods that he made there was some compensation in the fact that he was exposed to no danger of loss from quick changes of style; the main items in the cost of his product were the merchandise value and the expense of manufacture. The simplest solution of the problem for the present, therefore, seemed to be to effect economies in manufacture sufficient to enable him to dispose of his entire product to the wholesalers direct. But since the wholesalers needed him even more than he needed them, in obtaining this economy he took advantage of their exigencies. It was characteristic of his methods, however,

that here again what he asked of them was not a sacrifice of money but the exercise of a little forethought. If they would consider his manufacturing necessities by giving their orders in lots of uniform size, so that he could make his unit of manufacture a case of forty-eight pairs of shoes, he in return could make a price that would give to both sides a fair measure of profit and, moreover, would produce a better shoe than the jobbers could obtain elsewhere for the money.

On the sides of both production and distribution the scheme was sound. It enabled Mr. McElwain to run his factory more efficiently; it established between him and the wholesale dealers working relations not dissimilar to those of men in partnership. It assumed that he and they were working coöperatively, that neither was trying to overreach the other, and that the gain of one was the gain of both. This being the case, it followed that each was entitled to know in detail the other's business affairs. The obligation to inform the wholesaler of the exact construction of his shoe Mr. McElwain accepted unconditionally. "Many of these points," writes his brother,

"were regarded as trade secrets, and it devolved upon the purchaser to find them out for himself in some way, if he was sufficiently interested. Looking at it again from the other man's standpoint, my brother argued that it was only right that a purchaser should know exactly what he was buying; and the more he knew, the less the manufacturer with a legitimate proposition had to fear. . . . On one occasion when I was discussing with my brother the policy to pursue in handling a large and very intelligent distributor, he said, 'Show him and tell him everything, even to the cost records.'" Similarly he considered it his duty to inform himself thoroughly concerning the jobber's business, and to know to a cent whether the price offered by a customer was too high or too low. If it erred in either direction he invariably refused to accept it, his belief being that there is always a right price for buying and selling, deviation from which in any particular instance is bound to work harm in the end to both parties.

Such a theory and practice, of course, many wholesalers were incapable of comprehending,

much less of assessing at its true value, and with them William McElwain soon ceased to have dealings. But it was not merely the men who interfered with his plans for the development of his business with whom he would have nothing to do. The instincts of his nature made him draw back from men whom he could not trust, and upon these instincts he acted even in the first years of his manufacturing career, when apparently he could ill afford to offend customers. There are dozens of stories, belonging to those early days, of his behavior toward jobbers who, taking advantage of his weakness, sought to get the better of him by the ordinary tricks of trade. Their practices have a depressingly usual sound, but there was nothing usual in the handling that they got from him. "During the early part of the business," writes his first superintendent, Mr. Fred L. Emerson, "Mr. McElwain sold a large order to a house that was notorious for taking unfair advantages. He shipped this customer some goods, and the rest of the order was in various degrees of progress through the factory when, sure enough, they made their usual claim, which

most manufacturers had been in the habit of granting, rather than take the chance of having the manufactured goods thrown on their hands. Mr. McElwain, however, took the matter up with them in his usual fashion and forced them to settle for the shoes already shipped actually as agreed upon, and, notwithstanding their most urgent appeals, absolutely refused to ship them another dollar's worth of goods, preferring rather to take a loss, if necessary, on goods in process of manufacture, than to have anything more to do with that character of house. This was at a time in the business when a stand of that nature meant something." Such acts of courage were also acts of good judgment, and reveal better than pages of explanation Mr. McElwain's power of seeing things clearly and seeing them whole. They were, in fact, the steps by which he eliminated the unfit and achieved finally a permanent working alliance with a selected set of men. For these trusted customers he could incur no trouble or expense too great to show his confidence in them or to promote their welfare. "In all our transactions," says one of them, "I never remember

an instance when he was not looking after my end of it a good deal closer than his own."

This combination of foresight and courage had always, it is hardly necessary to repeat, a remarkable capacity for surprise. The novelty and daring of his schemes at first took away the breath of those to whom they were proposed, but that they were well grounded soon became plain if the listener followed his reasoning; and they stood the test of trial. So it was with the sheet system and so with the plan which involved the jobbers' coöperation. More full of surprise and more far-reaching was the reform which constituted the third element in the McElwain shoe system: on the one hand it required of the jobbers a radical alteration in their methods of placing orders; on the other hand it meant the change of the factory production from a seasonal to a full-time basis,—a revolution which abolished for the employees the great evil of irregular employment.

The reader does not need to be reminded of the experiences of the young order clerk in Mr. Burt's office to realize that the difficulty that the jobbers had in getting their goods from a factory

at the required time was chronic. Though many long-standing causes of trouble had been remedied here and there, no manufacturer had devised a system whereby his daily product would be adjusted to the necessities of a jobber's particular order. Greatly as the sheet system had improved matters at Bridgewater, the making up of a sheet was controlled chiefly by factory conditions, not by the needs of the shipping department. For the proper assortment of goods to fill this or that customer's order, reliance was placed on the volume and variety of shoes produced each day. But an incident occurring not long after the occupation of the new factory showed its owner how much more far-reaching must be his reforms. There was trouble in the lasting room, and a strike was imminent. Hearing of the difficulty, Mr. Terhune, of Morse and Rogers, went at once to the factory to ascertain what were the chances of getting shoes that his firm had bought and would presently need to deliver to its customers. Mr. McElwain, looking into the state of things, found that none of the goods which, being past the lasting room, would be ready within the next fort-

night were of the kind from which the Morse and Rogers orders could be filled. That is to say, in making up the sheets, the necessities of the wholesaler from month to month had not been taken into account: factory conditions had been the sole consideration. A weak spot in his "system" was disclosed, and Mr. McElwain at once resolved to apply the remedy.

In order to comprehend the magnitude of the task which he was setting for himself, it is necessary to understand the extent to which this weak spot was the result of prevailing practice in the shoe business. From long custom the retail shoe-dealers demanded their season's supply of goods at a fixed period,—at some time just before Easter for the Spring season, and at a corresponding date for the Fall season. Since their needs were satisfied if they obtained the goods in three equal installments on the first of March, April, and May, the wholesalers had no desire to receive or to pay for shipments from the factory before the earliest of those dates. The difficulties created for the manufacturer by this situation were sufficiently trying. If he started work at the

beginning of the manufacturing season, December 1, and began filling the wholesalers' orders at once, he could get no payment from them for three months; if, as in Mr. McElwain's case, he lacked the resources that would enable him to do this and began later, he was under the necessity of running overtime as the commencement of the retail season approached. The needs of the several jobbers for the season were not planned for as a whole, and in consequence the manufacturer was likely to suffer, and indeed often did suffer, the mortification of being unable to deliver some of the product that he had promised.

The working conditions created by these long-established habits in the wholesale and retail trades were unsound and demoralizing. Five months of steady work, gradually increasing in intensity, were followed by a slack period, which began about the first of May. If the factory shut down altogether, this period lasted about a month; if the factory ran three or four days a week, it was of longer duration. For the other half of the year there was a similar sequence. Thus, out of a possible three hundred working days in the

year,[1] the operative in a shoe factory in eastern Massachusetts could count on employment for about two hundred and fifty days.[2]

For the employee this state of things was doubtless an improvement over the time, not so remote, when two hundred days constituted a year's work. Doubtless, too, any man prefers to accomplish his year's work in ten months, provided, of course, that he be paid a year's wages. Nevertheless, for the ordinary factory worker the season of enforced idleness twice a year is in the long run as undesirable as is the feverish overwork of a portion of the periods with which these vacations alternate. Regularity of employment minimizes the evils of both extremes, and, by the feeling of security which its fifty-two pay envelopes creates, does more than any other one thing to lift the worker out of the condition of hand-to-mouth living and so to make well-being possible for him and his family.

For the manufacturer, too, these seasonal con-

[1] After the deduction of fifty-two Sundays, seven holidays, and three days at the end of each season for stock-taking.

[2] See Appendix A.

ditions were disadvantageous. Since the conditions of employment were not fundamentally right, labor could not work at its highest efficiency. Furthermore, inasmuch as the fixed charges could not be spread over the maximum number of units of product, it was impossible to achieve the minimum cost for each unit.

On all counts, then, the situation demanded reform, but the evils were so interrelated that they must be grappled with as a whole. In attacking them Mr. McElwain was undertaking a task that would test all his powers. His proposal was that the jobbers should arrange their season's orders so that they could be distributed according to a fixed proportion over the period of six months. To this end he undertook to coöperate with each customer in making a study of his business and in planning his season's supply so that once a fortnight he should order a variety of goods sufficient for his immediate needs; he himself accepted the obligation of planning the factory work so that at corresponding intervals these orders should be promptly delivered. With the assurance of an even supply of orders for all the weeks of each

season, he could then employ the necessary number of hands and guarantee them steady work for all the weeks of the year. Full-time production being thus assured, the cost of the labor for each pair of shoes was reduced without any diminution of the annual earnings of the operative; that reduction enabled the manufacturer to make a better price per pair to the jobber, and so the wheel swung full circle.

With these changes put into effect, the McElwain shoe system may be considered complete. The running of the factory was now thoroughly systematized, and in 1903 and 1904 the number of working days reached 300 and 302 respectively.[1] The delivery system was working smoothly, and the product was distributed as regularly and as evenly as it had been made. Between the manufacturer and his customers there existed a sense of mutual dependence and of cooperation that was growing stronger with every season. The simplicity of it all, however, should not blind one to the extent of the change which the system expressed. Its inventor had revolutionized

[1] See Appendix B.

the methods of putting goods through the factory, the practice of the wholesalers, and the conditions of employment under which the operatives did their year's work. All this he had been able to effect because he could bring to bear upon these questions as searching an analysis and as independent a judgment as that of an outside expert called in for the purpose. Without the formal training, he nevertheless worked in the full spirit of modern scholarly research, his goal the betterment of the industry.

CHAPTER V

GROWTH AND ORGANIZATION

BUSINESS, like every form of human activity that is really permeated with life, is not fixed but fluid. An industrial or commercial enterprise is ever changing, not only as a whole but in its several parts. Some parts are improving faster than others; some parts may be deteriorating while others show progress. The successful operation of the sheet system in the Bridgewater factory constituted an immense advance in one branch of the business, but that very advance only revealed more clearly to Mr. McElwain the great need of similar improvement in other branches.

The "cut-sole" problem was the first to establish a claim upon his attention. A side of leather, one-half of the animal's hide, contains many variations, not only in the thickness but also in the quality of the leather. As a result of Nature's adaptation of the hide to the needs of the animal rather than to the conditions of modern industry, what were known as "cut-sole manufacturers" had sprung up, men from whom the shoe man-

ufacturers purchased supplies of soles exactly suited in thickness and quality to the kinds of shoes that they were making. In this way almost all makers of women's shoes obtained their soles. Most manufacturers of men's shoes, however, did their own cutting of sole leather, and so constantly had on their hands many different kinds of soles. If they were making shoes of medium quality, they threw out the two extremes, disposing of them by sale, and averaged the remainder. Owing to this unscientific method, among the pairs of shoes purchased by the wholesaler for the same price there was bound to be considerable variation in both thickness and quality of sole.

Although from the first Mr. McElwain had cut his own sole leather after the fashion just described, he every year came to see more clearly that the practice was inconsistent with his policy of making a shoe of standard quality at a fixed cost. When he had once made up his mind to do away with the expense caused by the lack of system at this point, his method of attack was highly characteristic. With his usual power of detach-

ment, he abandoned for the moment the point of view of the owner of the Bridgewater factory and made himself in imagination a manufacturer of cut-soles.

The first conclusion that he reached was that he must, so to say, "go the cut-sole manufacturer one better" in his own line. The industry, he reasoned, was complete in itself, its function being to produce a manufactured article, cut-soles, which the shoe manufacturer needs just as he needs nails or lacings or thread. This being so, each industry should stand on its own bottom as an independent entity. To this end he made of his cut-sole department what was essentially a separate factory. About one-half of the space on the first floor of his building he separated from the rest by a high partition; this physical barrier was meant to express visibly the completeness of the separation between the work of cutting sole leather which went on beyond it and the work of the remainder of the factory. Mr. Prescott was put in charge of what was in effect an independent establishment. He bought the leather, he controlled the details of manufacture, he disposed of

the product. The main portion of it, of course, he sold to the W. H. McElwain Company, but for the lower grades he had to find customers in competition with the regular manufacturers of cut-sole leather. The success of the scheme promptly justified the labor which Mr. McElwain had devoted to it. Furthermore, his experiment gave him a demonstration of the fundamental importance of clear-cut organization and the part that it must soon play in industrial and commercial life. It was his first experience of a truth which later he embodied in the maxim that the business man's first duty is to "anticipate the inevitable."

When related at this day, Mr. McElwain's first experiment in organization wears an air of disconcerting simplicity. It seems as easy as discovering America. So rapidly has the world moved in these matters during the last twenty years that it is hard for us to comprehend the fact that in the closing years of the last century the projector of a scheme of this sort for a small country shoe factory could expect his plan to be received by outsiders with nothing but misunderstanding and ridicule. Men blind to the "inevitable"—or, if

not blind, at least lacking in the originality necessary to cope with it—could see little but eccentricity in the wooden partition between the McElwain cut-sole factory and the McElwain shoe factory, and had no eye for the thoroughgoing principle of which it was an outward sign. They could see and admire the successful result; but when other applications of the principle were put into effect, they greeted them, too, with surprised incredulity.

These other applications of the principle of clear-cut division followed in rapid succession. The heel department was organized on this basis, then the upper leather department, the purchasing of machinery and supplies, and the whole business of distribution. Besides insisting upon physical separation, even in cases where to most men such distinction would seem of trifling importance, Mr. McElwain invented names for the departments, as if they were independent companies. By employing, for instance, the title Continental Cut-sole Company when he was dealing with questions affecting the cut-sole department, by speaking of the work of distributing "jobs,"

damaged shoes, and so forth, as done by the Interstate Shoe Company, he made skilful use of the power of definite names to make unseen things real.

The result of this analytical treatment of the business had a most stimulating effect upon the young men who were his immediate subordinates. While still in the early twenties, they were put in responsible charge of departments,—sometimes of more than one department, for everything was on a small scale,—and an opportunity was before them of making themselves the best specialists in the country. This form of organization required of them accurate thinking and strict accountability in action. Indeed, it was not more admirably adapted for establishing the business on a solid foundation than it was for training them.

During the year ending May 31, 1900, the McElwain factory shipped 792,043 pairs of shoes, a remarkable increase over the number for the preceding year, 421,903. The figures show without comment how the master spirit of the place had made his little factory achieve a maximum of efficiency.

At the same time, however, that the factory made this wonderful leap ahead in production, Mr. McElwain was obliged to face the fact that, besides a steady rise in the cost of raw materials, the item of labor cost was about to reach the limit of what his close calculations had shown him he could afford to pay. The influence of Brockton wages was gradually making itself felt in the adjoining shoe towns; but these wages, which were for work on Goodyears, it was out of the question for him to pay for the much cheaper McKays. It was getting to be the general practice for manufacturers in the Brockton district to drop the less expensive product and to devote themselves altogether to the better grade of shoes, and the natural thing would have been for Mr. McElwain to follow their example. But the $2 McKays would continue to be manufactured somewhere and by somebody, and they would be bought by the group of customers with whom he was now working on such good terms of mutual understanding; in organizing the distribution of a new product he would have to begin all over again. Moreover, he had worked out a highly efficient

system for producing these McKays: why should he throw it away?

As a result of Mr. McElwain's study of this aspect of the "inevitable" stationed across his path, he reached the conclusion that his proper course was to devote the Bridgewater factory to a more expensive grade of shoe, for which he could afford higher wages, and to remove to some other place his business of manufacturing the $2 McKays. After investigation covering a period of over six months, he decided upon Manchester, New Hampshire, and was successful in persuading a number of its citizens to build him a factory which was to be considerably larger than the one at Bridgewater. Manchester, possessing in 1900 a population of 56,987, had long been associated with the textile industry; from among the large number of mill-hands gathered there Mr. McElwain counted on finding workers whom his superintendent and foremen could train to earn the better wages of the shoe industry.

In the fall of 1901, after the removal to Manchester had been determined upon and when the plans for the erection of the factory were under

way, Mr. McElwain had an offer to purchase at a greatly reduced price a small factory in Newport, New Hampshire. The acquisition of this factory would in no wise disarrange the scheme upon which he had already embarked; besides, the jobbers who bought the men's $2 shoes should also, he reasoned, be customers for the boys' and "little men's" shoes of the same grade which he was proposing to make there. Altogether, the conditions were so plainly advantageous that he determined to close with the offer.

The chief effect of the purchase was to accelerate the arrival of the other great change in the management of his business which its rapid growth was now forcing upon him. This was nothing less than the removal to Boston of his office force, in order that he might control his three factories from a central point which was also, on the commercial side, the centre of the shoe business in the United States. To Mr. McElwain the step seemed absolutely demanded by the requirements of his position; but inasmuch as he was returning to the practice of ten or a dozen years earlier,—a practice which every shoe man-

ufacturer in Massachusetts had abandoned as unworkable,—men familiar with the history of these years regarded his conduct as an inexplicable and fatal step backward. Even more bewildering they found his transference to Boston at the same time of the cut-sole factory. Their bewilderment was not to be wondered at. The traditional shoe factory was so completely regarded as an organism that to "carve it up" in McElwain's cavalier fashion seemed as desecrating and destructive an act as if he had undertaken to rearrange the parts of the human body. But if Mr. McElwain was correct in his first analysis of the relation of cut-sole manufacture to shoe manufacture, his cut-sole factory, like his office, must be central, and this bold step was merely the "logical thing to do."

Then, as a matter of course, other departments that stood in similar relation to the process of shoe manufacture in the restricted sense of the term were by degrees centralized in Boston. These were: the heel department,[1] the entire upper

[1] In Bridgewater, the heel department was originally contained in a space 25 by 15 feet square, or 375 square feet. In

leather cutting department, the office in charge of the planning work, the department that handled the damaged shoes thrown out by the factories or returned by customers; the department that dealt with questions of models and styles; and the purchasing departments. The story of the creation and growth of the labor department, perhaps the most important of them all, will be told later in a chapter by itself. Under this method of organization the function of each shoe factory was manufacture pure and simple. Each day it received from Boston shipments of prepared material. These it put together into shoes according to the exact and complete specifications of the work tickets and of the "sheet" for each half-day's work. In other words, the factory took the materials and the plan and built the shoe; no more.

By June, 1902, when the Eastside factory in Manchester began running, the McElwain organization in its main outlines had assumed permanent form. If this organization had not been

Boston, it occupied 7000 square feet; in Manchester, it occupies 51,980 square feet.

clear-cut and comprehensive, it could not possibly have met the demands for expansion that the next five years put upon it. With the opening of the Eastside factory the daily production of shoes mounted from 5400 to 9000. At the end of a year, May 31, 1903, the annual production was 1,822,938 pairs. In steady succession came the building of other shoe factories in Manchester: Cohas in 1904, with a daily capacity of 4800 pairs; Derryfield in 1906, with a daily capacity of 7200 pairs. Various subsidiary undertakings were embarked upon: in 1906, a factory for the preparation of blackings, stains, and finishes; in 1907, a granosole mill, a box-toe and counter factory, and a wooden box and carton factory. The growth during this period is best shown by the figures giving the production for the year ending May 31, 1908,—5,716,955 pairs.[1]

The financing of the business, which at the end of each year seemed to have outgrown the

[1] Since January, 1908, the following additions have been made: a sole leather tannery in 1908; shoe factories at Nashua in 1910 and at Claremont in 1912; an upper leather tannery in 1913. For the year ending May 13, 1913, the production was 9,302,124 pairs; the sales, $20,631,071.56.

conditions that governed it when the year began, deserves a word of comment. In 1901 the business was incorporated, the $200,000 of stock being held by only five shareholders. The capitalization was increased by degrees to $1,000,000, but the stock was all held by those immediately interested.[1] Although Mr. McElwain was dependent upon the financial world for assistance at the beginning of each season, he experienced no difficulty in obtaining this help on terms which left him absolutely in control. It was a decade in which the tendency of financiers to seek a directing share in enterprises for which they furnished the money received full scope; but the alleged benefits of the arrangement left him unimpressed. Here, as elsewhere, he must be his own master.

As one studies these achievements of growth and organization, one sees that they, like the structure of the shoe system, were really marvels of lesser magnitude. The great wonder was the

[1] The annual bonus to the managers was in stock, which they could turn into cash or keep, as they liked.

vitalizing force of Mr. McElwain himself, manifested not only in the creative energy which he put into problems of thought, but also in the inspiration and guidance that he gave to the men who must carry out his plans. Without his gift for finding these men and making his ideas far-reaching through them, he could have accomplished little. Furthermore, the instinct that told him when he had found the right man told him also how to train that man so as to develop the best that was in him. The importance that he attached to the work of training appears in a conversation which Mr. Shaw, head of the Labor Department, has recorded as follows:

Shaw. There is one thing I do not understand. When a department of the business is not efficiently managed, it is perfectly clear that the manager is causing the Company a loss. Why should he not be removed at once, and a new man that can produce results put in his place?

Mr. McElwain. Shaw, that is the wrong principle entirely; no good can ever result from going at a man in the spirit of criticism; such men as you describe need help. The man you speak of

may have eighty per cent of the requirements needed to manage his department successfully; the management should study the man and supply him help in that part of his makeup which is not particularly adapted to his work. A man cannot be a good cost man, a good manufacturer, a good disciplinarian, and a good selling agent all combined, and for this reason we have adopted our form of organization, which is based on the idea of not expecting the impossible in any man. That is why some men are successful with us as factory managers who have been unsuccessful in business for themselves. It is useless to keep replacing men; what we must do is to find out why men do not succeed and do all we can as managers to help them.

"Those who worked with him in any department," says Mr. Frank McElwain, writing on this subject, "were constantly stimulated by the high standards which he exacted. He knew the best standards and knew that they were possible of accomplishment, if persistently striven for. I remember that once, when I told him I thought I had made an excellent purchase of leather, he

said, 'Frank, never pat yourself on the back; you can always do better.' He exacted from himself just as high a standard as he did from others. Those who at times felt discouraged because they fell far short of this goal and were severely criticized knew that this criticism came from a man who was trying to be just, and trying to make himself, as well as the men around him, more efficient and better; that knowledge, in the final analysis, could create nothing but respect from those who could appreciate his point of view,—trying, indeed, but a Spartan discipline which most men need."

"For all his being a stern task-master," so writes Mr. C. J. Prescott, "during a crisis his management had his entire support. When mistakes were made in his business by any individual, he would put his own shoulder to the wheel to straighten things out and show wherein the mistake could have been avoided; but from that moment the mistake was a thing of the past, and he looked forward to the work that person was going to do in the future and never laid up or harbored mistakes which had been made. From

this action on his part he received the utmost co-operation from his men."

Their relation to him was not in the least that of subordinates who merely received his orders. They knew that he liked independence of thought in them; they knew that he held his mind, as he once said he tried to do, "wide open all the time to suggestions from other people;" and furthermore that he took satisfaction, when success was due to their suggestions or efforts, in giving them the credit.

The "stern task-master" also had a sense of humor and a buoyancy which made him the most delightful of working companions. His laughter was apt to have its way with his eye-glasses, and whoever was with him found it equally irresistible. "People say that I have n't enough dignity to be at the head of this company," he once remarked, quizzically.

There was nothing which he would not do for his co-workers. "If they needed money," writes Mr. Prescott, further, "they could have all that his purse contained. If they were sick, they must have the best of care and a good physician. At

one time, on hearing that one of his superintendents was seriously ill at Manchester, and fearing that he might not receive the medical attention that was necessary, he engaged a specialist to go to Manchester to see him, and, as it was Sunday and no train ran for some hours, he hired a special train and went up with the specialist to see what could be done."

Nor were his many marked deeds of generosity and consideration needed to make his fellow-workers idolize him. "Sometimes the affectionate sweetness of his nature crept out when it was least expected." "He had a certain smile, not often in evidence, which was absolutely melting in its appeal." A little kindness done him, a considerate act, a sign of affection, stirred his gratitude deeply. On their part, "the men who were most closely connected with him and received the most severe drilling and criticism were those who were at his side always even unto death and loved him closer than a brother, and would have died for him."

Such testimony explains how it was that Mr. McElwain could carry his young lieutenants with

him on his arduous path. He had the power to make them feel that he and they were striving together toward an ideal. More than once they had heard him meet a suggestion with the words, "I would rather see the business wiped out and handle it correctly, than save it at the expense of dealing with expediency;" the ideal that he now and then thus put into words they saw him put into practice daily and hourly. What the young seek is not play but work, for they know that work is the key to the secret of life. When they find a leader whose example reveals to them the right use of this key, they give their absolute allegiance. In the McElwain Company one man, day in and day out, worked hardest and most joyously, thought clearest, dealt most justly, felt most warmly. The rest could not do otherwise than follow him.

CHAPTER VI

LABOR POLICY

IN a small factory which is situated in a country town and in which the owner usually spends the hours of his working-day, the relations between him and his workmen can hardly be other than human. They see each other daily in the street and in the factory; the employer is in and out of the various rooms; perhaps the operatives hear a friendly foreman not only speak of him but even address him by his first name. The employer, on his part, knows them by face, if not by name, and understands something about their way of life as well as their ability as workmen. If differences arise between the two parties, the actual touch in which they live makes discussion on a man-to-man basis possible and natural.

This was the state of things in the Bridgewater factory in the first years of the business. When, however, the Manchester factories were established one after another and Mr. McElwain's employees came to be numbered in thousands, there was need for the creation of a comprehensive and

constructive labor policy. It must be adequate for all aspects of the situation, and also adapted to the needs of future growth.

The first part of this policy to be worked out dealt with the question of union labor. The Boot and Shoe Workers' Union, an organization which in the last few years had been rapidly growing in strength, had as the central article of its policy a contract, by the terms of which it provided the manufacturer with the so-called "union stamp," with which he was to mark every shoe made in his factory; the union further agreed to advertise this stamp and to create a demand for goods marked with it. In return, the employer agreed to hire only members of the union,—that is, to run a "union shop." Strikes and lockouts were prohibited. All questions involving wages or conditions of labor which could not be mutually agreed upon were to be submitted to the State Board of Arbitration, and its decision was to be accepted as binding by the employer, the employee, and the union.

The prospect of security and peace held out by the Boot and Shoe Workers' Union in this con-

tract made it acceptable to many strike-harassed manufacturers; but for Mr. McElwain the agreement carried conditions in regard to the wage scale which he saw would involve him in serious difficulty. The aim of the union was to put into effect a uniform scale of piece-rates. In Mr. McElwain's theory the true standard was the daily wage prevailing in a given town for the grade of work which the operative was performing and paid throughout the year so as to amount to a reliable annual income. The piece-rate—five cents a dozen, for example, for a certain operation—was not a wage but a "unit figure," obtained by dividing the desired daily wage ($2.50) by a figure (fifty dozen) representing the workman's daily capacity under normal conditions. In practice this theory enabled Mr. McElwain to assure his employees good wages, and at the same time to keep the item of labor cost on each pair of shoes at the lowest possible figure.

As the year 1902 drew to a close, it was evident to Mr. McElwain that he must soon face the union demands for a closed shop and a uniform piece-rate scale. Union organizers were busy

among the employees in both Bridgewater and Manchester, and the Manchester superintendent, Mr. Trull, knew by instinct as well as by experience that a trial of strength between himself and his six hundred operatives was not far off. Mr. McElwain prepared himself accordingly and in characteristic fashion. In order that he might obtain full knowledge of the labor situation, he caused to be drawn up a history of the unions in the shoe industry and of the use of the union stamp, and a statement of the membership of the Boot and Shoe Workers' Union, of its geographical distribution, and of its financial condition, together with the distribution of establishments employing the union stamp; as to its general policy and aim, there was evidence drawn from the "Shoe Workers' Journal," from the testimony of one of the union's officers before the Industrial Commission in Washington in 1899, and from the report of the Commission itself. This evidence gave the attitude of the union on such subjects as hours of labor, piece-work, the wage-scale, limitation of output, new machinery, strikes, boycotts, and arbitration.

To throw light on the other side of the question, Mr. McElwain obtained figures showing the number of establishments manufacturing shoes, the amount of capital invested, the value of the product, the number of salaried persons employed, the number of wage-earners, male and female, and the amount paid out in salaries and wages. The geographical grouping of the factories came next, and then tables of statistics from the census of 1900 showing the average annual wages in shoe towns both of the shoe workers and of the workers in all industries.

While he was in the midst of this study, in January, 1903, the expected strike at Manchester began, the events precipitating it being the discharge by the superintendent of certain operatives and his refusal to discuss with the union organizer the "bill of wages,"—that is, scale of piece-rates,—which the latter presented on behalf of the employees. In order to anticipate any action on the part of the Bridgewater operatives, Mr. McElwain straightway addressed to them the following letter. In the history of his dealings with labor it stands as his Declaration of Independence.

To our Employees:

In view of the rumors which have reached us that it is proposed to attempt to enforce a higher wage schedule at this factory, we feel called upon to state our position. In our business the different grades of shoes are largely regulated by the price at which they are sold to the wearer, and it is an accepted fact that these grades are made under different labor costs and different factory conditions. Our present labor cost is as high as the grade will allow. Competitive labor localities determine this fact.

On the other hand, it has been our policy to market our goods in such a way that the product is simple, orders are put through the works in large quantities, and the factory is run the entire year. That this policy has resulted in *steady employment* and *good annual wages* most of you will admit.

Under these conditions we believe that a strike would be a misfortune to the employees, as well as to us.

We want you to understand our position in regard to the Union. We recognize the right on the part of the men to organize for any good purpose they may see fit, having in mind the rights of others. On the other hand, we recognize the right of men not to join Unions if they so prefer, and we must also stand for our own right to conduct our business in a manner which we deem will make it a success.

The success of the business is just as important to the employee as it is to the employer. If we undertake to run

the business in a way which will bring failure instead of success, the employees are the first to suffer.

We, therefore, wish to state THAT WE WILL NOT ADOPT THE UNION STAMP UNDER ANY CIRCUMSTANCES.

If any of our help are dissatisfied and feel they do not wish to work with us, we shall go ahead here in Bridgewater without them, doing as much business as we can, even if we are obliged to begin all over again.

W. H. McELWAIN COMPANY
By Wm. H. McElwain, *Pres.*

Bridgewater, Feb. 2, 1903

The immediate effect of this announcement was to forestall any attempt at action in Bridgewater; the operatives accepted their employer's reasoning as sound, and, knowing him of old, they understood that what he had promised he would perform. In Manchester, however, where he was not so well known, an obstinate struggle was under way. Exhausting though it proved at the time, it nevertheless gave Mr. McElwain new insight into the problem of labor, since he became acquainted with a phase of the question that he could hardly have acquired from the study of print.

As the result of a suggestion made by Mr. Brandeis, of whose experience in labor disputes

he had taken advantage at other times, Mr. McElwain undertook to make an investigation of the specific grievances of the operatives which had led to the demands presented in the bill of wages. He proposed to ascertain whether the earnings of individual men, A, B, and C, from week to week were actually up to the standard set; and, if they were not, whether the fault was his or theirs.

In pursuance of the same end, he sought conferences with the labor leaders, even though he knew that such overtures on his part might raise in their minds false hopes. If conditions were wrong, he wished to learn by every means possible how they might be made right; of listening to demands for unionization he had not the slightest intention.

As Mr. McElwain gained more light upon the conditions that had actually existed at Manchester, he realized that he had underestimated not only the number of hands whose earnings fell below the standard wage for their group, but also the extent to which their grievances were due to conditions for which they were not to blame. Most of the operatives, it is true, were green hands, but

Mr. McElwain's theory in going to Manchester had been that green hands could quickly acquire skill in making shoes of the cheaper grades. If this theory held good, the continued depression of wages meant that labor was bearing more than its share of the cost incident to the new factory's "finding itself." Finally, he found, as one of the errors of judgment wholly natural in this initial period of operation, that some of the prices in the lasting room had been set so low that the operative could not possibly bring his wages up to the expected level.

As for the conferences with the labor leaders, they had little real effect upon the course of the struggle,—the question at issue involved the control of the factory, and on that point he would not yield an inch of ground,—but they enabled Mr. McElwain to get his opponents' point of view through actual conversation and also to state his own position freely and frankly. If the firmness of his stand in such interviews showed the labor leaders the hopelessness of their keeping up the contest, his voluntary offer to increase one of the rates in the lasting room convinced them that he

was fair as well as firm. At the end of eight weeks the strike was called off.

Whatever readjustments in his labor policy the events of the last few months may have shown to be needed Mr. McElwain, from the condition of his health, was then in no position to make. Even before the first mutterings of factory trouble in the early winter of 1902–1903, persisting insomnia told him that he was overworked; for the first time in his life thought and conversation were an effort. At once he planned to make a recovery without giving up business: he played golf in the afternoon, took week-end holidays and short vacations, and avoided the strain of meeting people socially. For some time after his physician advised a complete break he persevered in this way of life, always preserving his cheeriness and hope. But the strike was the last straw, and in less than a fortnight after it was over he and Mrs. McElwain, together with their six-year-old boy, Donald, were crossing the Atlantic, bound on a vacation which was not to end till he should be restored to health.

They soon established themselves at Mon-

treux, on Lake Geneva, and settled down to a regularly scheduled outdoor life in strict accord with the physician's advice. A late breakfast on the balcony overlooking the lake, a vigorous climb among the hills,—for physical exercise never tired him,—listening to reading or dictating letters on the balcony, and a visit to the Kursaal to hear the music and glance at the papers,—so each day went by. His mind rapidly lightened itself of its burden of cares and became absorbed in the history and topography of the fascinating region which enfolded him.

After a number of weeks they sought a higher altitude, again on the doctor's advice, moving up by stages through Caux and the Rigi to St. Moritz in the Engadine. Here, at the end of another month, he proved himself to be so far along the road to recovery that Mrs. McElwain was willing to leave the rest of the cure in his own hands and returned with Donald to the children in America. He tarried a month longer where he was, keenly enjoying the study of French, as well as some real mountain climbing and the making of a few English acquaintances; then he went to Scotland

and Ireland to pursue with zest a search for facts bearing on the McElwain ancestry. By the middle of September he was back at his office, with sound nerves and abundant energy for work.

The freshening of mind which this five months' change of scene gave Mr. McElwain was more nearly complete than that of any vacation experience which he had hitherto known, and it fell at a time when he never more needed clearness of vision. "The labor problem," he had written to his brother from Caux, "is our most important one to-day, and I am ready to come home at any time to tackle it. Don't hesitate to send for me if necessary." Again, in a letter to his friend, Charles W. Terhune, he said, "The trouble with labor is that the best thought is not given to it. We think factories are large machines, but they are not; they are human beings. I confess I have more fear than hope for the future; but feel that we should *act* with hope for the best. I presume we shall all find some way out. If it is only the right way, we ought to be satisfied to put up with some trouble and inconvenience."

The difficulties of the preceding months, he was coming to see, had their origin mainly in factory conditions, the blame for which must be laid squarely upon the management. His manufacturing system, with its low piece-rates, had put on him, as regards labor, a responsibility the extent of which he had only partly realized. If he were to control wages in his own plant, he was under bonds to improve and to keep improving his system so that the employee should have no just cause for complaint on that score. Furthermore, the operatives must be dealt with, and dealt with directly, as human beings. They were the real factory. While Mr. McElwain recognized fully their right to join the union,[1]

[1] "I would not lift a hand or a finger to urge a man not to join the union. I would not put a block in his way, nor allow any of our men to put a block in his way. It is the fullest and freest discussion on these things that we want." (Stenographic report of the meetings held with the labor representatives in connection with the Bridgewater strike, December, 1906.)

In April, 1907, replying to a request for his views on industrial training, Mr. McElwain stated his opinion that workers in the shoe industry who perform but one operation which requires comparatively little skill, and who have no planning to do in connection with their work, are less in need of the preparation given by a trade-school or of a

and never made inquiry as to who or what number of them were union men, he naturally preferred that faults in the conduct of his business should be called to his attention by employees themselves without the intervention of union officials. Some scheme of management, he felt, must be devised by which every irregularity in wages and working conditions that might, if neglected, be productive of trouble, could be disclosed in its early stages and promptly remedied. To plan means that would lead toward these ends, surely nothing less than a man's "best thought" would avail, and his best thought he was determined that the problem should have.

The first question was that of wages, and with his usual directness of attack Mr. McElwain turned to the payrolls of his three factories. He had already centralized this work in Boston

well-organized system of apprenticeship than they are of some education that shall make them capable of "economic association with other workers." An industry like the shoe business he considered "essentially human;" the class of operatives employed in it should, he said, "know the true relation between capital and labor; they must work together for their own uplifting, realizing that individual strength does not count as much as combined effort."

in a Payroll Department; he now instituted in connection with it a system of wage record cards by which the earnings of the individual workman were shown from week to week. Each card indicated the man's general productive capacity by classifying him as apprentice, regular or irregular;[1] it showed by weeks the time that he had lost and the number of hours that he worked. With this supplementary information, it was possible to interpret the figures showing his weekly wage. Since the cards of a group of men doing the same work were filed together, it was further possible to ascertain in a few moments whether in a given case the low wages were due to the inca-

[1] A. *Apprentice:* An employee new to the operation and therefore not in a position to earn a normal wage.

R. *Regular:* A regular skilled operator, whose wages should be an indication of the conditions and earning power of the operation, it being obligatory on the part of the management to operate plants in such a way that regular operators should be able to earn on an average the fair wage or average wage adopted for this operation.

I. *Irregular:* An employee who, through age or physical incapacity, could not reasonably be expected to earn the standard wage, but who nevertheless should be given work. For the low level of his wages the company could not fairly be held responsible.

pacity of the operative or to causes affecting all the men in the group. An investigation starting from this point of departure should soon run down the underlying cause and indicate the proper remedy.

For the purpose of organizing the Payroll Department as a means of studying the wage question both in general and in connection with his own organization, Mr. McElwain, in March, 1904, engaged Mr. Winfield L. Shaw, who, in the four years since he graduated from Harvard, had acquired considerable experience in problems connected with factory management. With regard to the study of his own particular wage problem, the ends which Mr. McElwain desired to achieve were two: (1) he wished a way of ascertaining automatically, so to say, the points where wages ran low; (2) he desired a method of arriving at a standard daily production for each operation in order that the piece-rate for that operation might be determined with accuracy. The means whereby these ends were to be attained,—the whole question of detail,—he left to the new head of the Payroll Department. By study of his card index or by any other method, new or old, Mr. Shaw

must produce the answers to these two cardinal questions.

The solution of the first of these problems may be disposed of very briefly. By way of presenting in more striking fashion the information already contained on a group of wage record cards, Mr. Shaw made what he called a "graphical wage report." Upon it each man's average wage was represented by an upright column, and the differences between the highest and the lowest earnings stood out sharply against the horizontal lines indicating the standard wage and the average wage. A single glance at the first charts of this sort, prepared early in 1905 and showing the averages of several groups of men for the preceding season, told Mr. McElwain that this was what he had been waiting for. The extent to which the average fell below the standard wage gave him his clue and also showed him to what extent the danger at that point was serious.

Fortified with the information which the graphical wage reports presented, the Boston office was now in a position to take the initiative in matters concerning wages. The factory superintend-

ent, whose authority in this field had hitherto been practically supreme, could no longer exercise his sway unquestioned. Without warning he was likely to receive a peremptory query: "Why is it that in your lasting room the consolidated hand-method operatives, for whom the standard daily wage is $3, are earning an average of only $2.83?" The investigation which he must make before he could give a reply would lay bare whatever was wrong in the factory conditions involved. The remedy, when applied, not only removed the possibility of discontent among the employees in question, but made the factory system so much the more efficient.

Vastly more complicated, however, was the other problem,—that of finding the standard of production for each operation. Roughly speaking, sixty per cent of the work done at this time in the McElwain factories was on a piece-rate basis. Day wages were paid for the rest, most of it being small irregular jobs on which piece-rate setting and a piece-rate payroll would be difficult. Each superintendent, before fixing a certain piece-rate, talked the matter over with the foreman of

the room, to get the benefit of his judgment and of the facts that he had obtained from the operatives; the superintendent also made use of estimates derived from rough timing of the work or from records kept of the amount of work done during the period when the operatives had been paid by the day. A rate thus fixed really represented nothing more than the personal judgment of one man at a given moment; in consequence piece-rates in all the factories were in a chaotic condition.

As has already been explained, Mr. McElwain's formula for setting a piece-rate for a certain operation was based on the standard average wage (W) of the operative,—the amount that he should earn each day; and the required average production (P),—the amount of work which he should accomplish in a day under normal conditions. The piece-rate—the price paid him per dozen, or per hundred dozen—is found by dividing W by P. The first of these figures, the standard average wage, is fairly easy to determine for a given operation. There is generally common agreement between operatives on the

one side and superintendent and foremen on the other as to what it should be; and the figures can be checked by comparison with the wages earned in the town for the corresponding grade of work in other industries. The difficulties, therefore, are encountered in attempting to find the value of P.

At the outset it seemed as if this figure were so fluctuating and elusive, so great a variable, that it was altogether impossible of determination. It is hardly worth while to enumerate the blind alleys entered and explored before the true thoroughfare revealed itself. At last it became plain that computations performed in the Boston office inevitably rested on an inadequate basis of fact. Observations made at the factory of the rate at which work was actually done—in other words, "production tests," time-studies of the man at the machine—were the first essential. No sooner had the first time-studies been made than it became plain further that they were altogether too general, and that results of real value would not be obtained until every measurement was made with minute accuracy and until account had been taken

of every element. For example, a factory foreman, in making a production test, might note the several movements made by the workman in performing the operation, but would set down only the total number of minutes taken by the man in working on a dozen or a hundred dozen pairs of shoes. The figures would not be final, for in the course of that ten, fifteen, or twenty minutes the workman might have stopped the machine several times, either for reasons of personal comfort or caprice or because his work was delayed in reaching him.

The next step, therefore, was to standardize the time for each of the component parts of a single operation. For this purpose a "football watch" was procured, by which the minutes or seconds of lost time, as they occurred, could be taken out of the actual working time, just as in a football game the lost time is taken out of each quarter. By repeated observations of one workman at his task and by comparison of his performance with that of other men, it was possible to obtain a figure which represented the number of minutes in which an operative, working efficiently and with-

out overstrain, could be expected to do the work.[1] Of course, since no man could be at his machine during every one of the 540 minutes of the working day, a reasonable deduction must be made for "constant lost time." A further allowance of at least ten per cent, and in some cases as high as forty per cent, was made for lost time on the operation itself. These two allowances taken together gave the operative for the whole day a margin of approximately two hours over which he might spread his work. These deductions being made, it was possible to fix a figure for the required daily average of production to which the operative of average skill could not reasonably object.

In making these time-studies, as well as in using wage-charts to bring out factory conditions that needed remedy, the Boston office, through its labor expert in the Payroll Department, took the initiative, for it was soon apparent that the superintendents and their assistants, engaged in their

[1] The date of the introduction of the stop-watch in the McElwain factories for this purpose is June, 1905. Of the work in time-studies that was being done in the Midvale Steel Works and other Philadelphia plants by Mr. Frederick W. Taylor the McElwain people were ignorant.

proper work of producing shoes, had neither the leisure nor the attitude of mind necessary to conduct technical investigations into the employee's use of his time. In order that this work might carry weight throughout the organization, Mr. McElwain early in 1906 created to administer it a separate Department of Labor, of which Mr. Shaw was the head. It was in every sense a staff service, organized to give expert advice on a special subject to the chief himself and to the members of the line,—the superintendents and foremen. Like the staff of an army, it performed the function of strengthening the line in matters distinct from the proper work of the line and yet necessary to it. Moreover, just as the man in the ranks has the advantage of the resources of the medical staff of the army, so the humblest factory employee, if he felt that the conditions of his work were not right, was entitled to appeal to the Labor Department for expert advice and to have the merits of his case examined into without prejudice to himself. Thus the new form of staff service signified in this industrial organization, as staff service signifies in the military world, a more

efficient method for producing coöperation, and so greater strength in the organization as a whole.

The three years from October, 1903, to October, 1906, were notable as a time when Mr. McElwain was engaged in laying four-square the foundations of his labor policy. Many things were started and started right, and the advantage of these correct beginnings was making itself felt. Other portions of the structure were slower in reaching completion.

Whoever undertakes to deal with men, whether in large or in small bodies, understands that their capacity for unreasoning action is one of their fundamental human qualities; he understands also that the master key for controlling this quality in men is the possession of their confidence. In industrial organizations, as elsewhere, the basis of such confidence must be laid in human intercourse between the workmen and their immediate superiors, this intercourse running all the way from discussion of a detail in a piece of work to be done to a vital question of wages or even of a man's very job. If the employee is checked in

the expression of his views, no matter how harmless, he suspects the foreman of "spotting" him for "activity," and turns his energies of this sort into another and usually hostile channel; if he is treated intelligently, not to say humanly, and made to feel that he really is a part of the organization as a whole and that his opinion is worth being listened to, he gives his confidence freely and in time of stress continues it loyally.

Simple and obvious as these truths are, the practical difficulties in the way of realizing them and then of applying them in connection with the huge industrial undertakings of to-day have been manifold. In the years when he was adding to his business one factory after another in rapid succession, Mr. McElwain's sense of these difficulties grew apace. He used, therefore, every opportunity to impress upon superintendents and foremen the danger of exercising authority arbitrarily, the importance of keeping in close touch with their men. "What's your grievance? What's going wrong?" were the first questions that he put to a foreman when he visited a factory, and his admonition to him always was to make sure that

the goods came to the men without delay and to adjust promptly all small complaints. "That was a mistake; let us correct it;" "We must be fair to both sides;"—such terse statements embodied principles for acting upon which each foreman knew he would be held to strict account.

An incident belonging to the year 1903 illustrates the lengths to which Mr. McElwain himself would go in his determination to make these principles effective. Through the general president of the Boot and Shoe Workers' Union his attention was called to the case of an employee who had been discharged for being late two mornings in succession. The explanation of the man's lateness was the serious illness of his wife. The investigation which Mr. McElwain set on foot brought out the facts that the superintendent had been making great efforts to check a growing tendency to tardiness among the operatives, that the man in question had already been late several times and had been warned therefor, and that the discharge had occurred on a morning when the man's lateness was really excusable. To reinstate him might, Mr. McElwain realized, undermine

the superintendent's authority and so demoralize discipline altogether. Furthermore, the effect upon the superintendent himself in being thus overridden was not to be ignored. Nevertheless, the facts remained that on the day in question the workman's excuse had been valid, and that in enforcing discipline at that time the management had not really given him square treatment. Mr. McElwain brought the superintendent to his way of thinking, and the man was summoned to the factory, where, in the presence of a number of his fellow-workmen, he received the superintendent's apology and was given back his job. If, as one of the foremen said, the news of this reinstatement "spread through the factory like wildfire," it was because every man saw, in a flash of feeling, that, if need were, he could without fear of consequences to himself appeal for justice directly to the head of the business.

When, however, the number of persons in a man's employ has grown into the thousands, he cannot make his influence for good in these matters of equal weight at every point; moreover, when among these thousands are foreigners speak-

ing in half-a-dozen different tongues, imperfectly acquainted with English, and still actively maintaining old racial antipathies, the difficulties are increased tenfold. Worst of all are the prejudices as a result of which the workingman assumes that it is impossible for him to meet his employer on a ground of common interest. Under such conditions misunderstandings and causes of irritation that could easily be remedied lead sometimes, without warning, in spite of all that superintendents and foremen can do, to actual revolt.

Such conditions were largely responsible for a strike of lasters at Bridgewater toward the end of 1906. The strike itself was soon settled: it is of interest because it led Mr. McElwain to work out an agreement with his employees for formal and effective communication between management and men and for the adjustment of matters in dispute concerning factory conditions or wages. The agreement was experimental, to be sure, and it was an experiment on a small scale, but into the making of it he threw himself with characteristic heartiness.

In order that all the employees of the factory might be brought under the operation of the plan, Mr. McElwain purposed to make two separate agreements, one with the union and one with the non-union group. His main object was to provide means for getting at the facts: factory committees of the men were to do this on one side; the Labor Department of the company was to do it on the other. Further provisions for the same purpose were that the employer should be allowed to address his employees in a body, and that he might get their opinion on a given question by means of an Australian ballot. If a dispute could not be settled within the factory and resort must be had to the process of arbitration, the first step of each party must be to draw up a statement of the issues as follows:

1. The facts on which the parties were agreed.

2. The facts alleged by one party to which the other party did not agree.

3. The facts alleged by the other party to which the first party did not agree.

4. Conclusions as to what the Company and the employees ought to do.

On the questions at issue as presented in these statements a board of arbitration consisting of five members especially appointed for the purpose was to hold a hearing and then to render a decision. This decision was to be binding upon both parties.

If the conferences at which this agreement was drawn up made positive progress toward establishing for the time being something like rational relations between labor and capital in one specific instance, it was because Mr. McElwain, by force of the integrity of his nature, kept the discussion on the highest possible levels, and because the labor men proved to possess the power to meet and to deal with him there. Under such auspices, as happy as they are unusual, each party had as its aim not a triumph over the other, but something to be won by both for the welfare of the industry as a whole. "Ever since we started in business to the present time," declared Mr. McElwain in the course of one of the discussions, "we have been trying to work out a system in our business that will properly handle the product as it goes through the factory. We have got to have the coöperation

of our men, and the criticism of our men, too, in helping us to carry that system out. We want it." At another time he said: "I do not want to have any single individual in the factory feel that we ignore him at all. I would rather have every man feel that he has a perfect right to express his opinion in any way on any subject that we ask him about or that he wants to consider." When men meet in this spirit, the results achieved are real.[1]

Interesting testimony as to Mr. McElwain's bearing during these meetings comes from one of the labor representatives; besides the picture that it gives of him, it is worthy of a place here for the indirect evidence it affords of all that is best in the spirit of Labor.

I have for ten years served our Union here in Brockton in the official capacity of its representative in all matters affecting the wages of our members and the conditions of their employment. I have had an unusual opportunity

[1] The agreement with the union was terminated by the union at the end of three years, in accordance with its recently adopted policy of making only closed-shop contracts with manufacturers. During the time of its existence, the agreement frequently proved its usefulness in minor matters; the method of arbitration provided for by it was resorted to only once.

for meeting with many shoe manufacturers not only in Brockton and the surrounding district, but in many other of the large shoe centres, St. Louis, Cincinnati, and as far West as San Francisco, where I attended a convention of the American Federation of Labor in November, 1906. I have, therefore, I repeat, had a most unusual opportunity for careful observation of the versatility, ability, and general makeup of many employers in the shoe industry, and I say from conviction and not because I desire to make a pleasing statement, that Mr. McElwain impressed me as being the keenest student and sharpest observer of every detail in the management of the shoe business of any manufacturer whom it has ever been my fortune to meet. Mr. McElwain possessed two striking qualities, in my estimation: first, he always acted the polite gentleman however fiercely the conflict raged; he always treated our committee with every possible courtesy and always left the impression with them that he intended to be eminently fair; second, and this quality undoubtedly contributed very largely to his successful career, he aimed always at being absolutely correct. He insisted upon thoroughness in every detail, and in his discussions with our committee during the difficulty I have referred to his constant purpose seemed to be to get at the very seat of the trouble and there apply a remedy.

I feel that I was exceedingly fortunate in meeting Mr. McElwain, for he was one of those rare men whom to meet was an inspiration. He impressed one with the idea that to work hard was the greatest pleasure, and his

intense application to whatever subject was under discussion, tempered with the kindest courtesy to an opponent, always sent one away feeling better for having been in his presence.

In reviewing Mr. McElwain's labor policy as a whole, one sees clearly enough that at certain points it was still tentative. What his next step would have been to adapt it to the continuing growth and increasing complexity of his business, it is impossible to say. But the cardinal fact is that as far as it went it was, like the rest of the structure of his organization, fundamentally sound. In summary it may be stated under three heads:

1. The piece-rates throughout the factories must be derived from data obtained by accurate observation of the workmen at their tasks, and must take due account of such considerations as that the factory is to be run continuously,—that is, without a break at the end of each season,—that the operative, while working efficiently, must not be overstrained, and that the factory administration must be such that the workman can obtain his work without delay and in proper condition. To perform this duty is one of the main

functions of the Labor Department. The investigations carried on by its field force, which now consists of thirteen men, have resulted in the course of twelve years in obtaining carefully determined piece-rates to the number of over one hundred thousand. In its later studies, special attention has been given to computing in a fair and satisfactory fashion the amount of leeway in time which shall be allowed each workman in performing his task. By maintaining system in all these matters of piece-rates and working time, the Labor Department endeavors to assure to the organization a sound and consistent wage policy.

2. Provision must be made for bringing to light all cases where the standard wage is not being maintained in practice. As piece-rates have become more exact, charts showing fluctuation in the earnings of a group of men have been substituted for graphical wage reports showing the earnings of individuals. A continuing low level is a signal for action on the part of the Labor Department. The investigation, starting with factory conditions in the room in question, may at once discover what is wrong and effect the remedy, or

it may be obliged to proceed farther and farther back, running down finally in some remote and apparently unrelated process or arrangement the real cause of the trouble. Such study thus not only sets right the injustice done to the individual workman, but also provides a check upon the errors of the planning department. By this correlation of the parts greater strength is given to the structure as a whole.

3. Full recognition must be accorded to the fact that all systems, all forms of organization, no matter how carefully they may have been thought out, are imperfect, inasmuch as they are administered by human beings. In general, the best man possible will surpass the best of systems; by the same token, at times the individual may fall below the level of any scheme of abstract excellence. Weakness and uncertainty are expected from the workman; they must also be expected from those who direct him. "Management makes just as many mistakes as labor," Mr. McElwain said once to a company of labor men. "You may make bulls, but we make them too." Hence his willingness to hear every complaint and to investigate it

without prejudice to the man preferring it, his democratic openmindedness to the possibility of good to be contributed by the men in the ranks. In giving judgment he sought to hold fast to what, in all his dealings, whether they concerned labor policy or not, was for him the one thing needful, —justice. By so doing he bound to himself all the men in his employ from the highest to the lowest, and wrought into his organization the human quality that most surely makes for soundness and permanence.

CHAPTER VII

AT FORTY

MR. McELWAIN's management of the strike of his Bridgewater employees and of the consequent negotiations leading up to the arbitration agreement—these events occurring not long before the day when he was forty years old—are indicative of the stage of power to which he had then attained. It was a power in which were combined experience, study, sound principles, and personal force; its scope and strength showed best when it was dealing with the complex problems springing from the relations of a great industry to the community at large. The year 1907 was to furnish other examples of the wide reach of his influence in this field. He was ready to meet the opportunity, of whatever sort it might prove to be; and opportunities were not lacking.

Early in the year Mr. McElwain decided to do for the cutting of upper leather what a few years before he had done for the cutting of sole leather,—to make of it a separate factory unit. In this

case the decision meant the withdrawal of upper leather cutting from the three factories in Manchester and from the Bridgewater factory and its centralization in Boston, where the work of reorganization could go on under his eye. Theoretically, the step was entirely logical; practically, it was revolutionary. One of the obstacles which made the change difficult was opposition on the part of citizens in Manchester. Mr. McElwain had, they asserted, obtained privileges in connection with the building of his factories, and he should not now take out of the city a class of work which commanded higher wages than most of the operations of shoe-making. This feeling expressed itself in a vote of censure passed by the Manchester Board of Aldermen.

"I have yet to meet the company of men," Mr. McElwain once said, "with whom I cannot reach a good understanding if we can get our feet under the same table and look each other in the face for half an hour." He now acted in the spirit of this remark. On his invitation two of the aldermen came to Boston and under his guidance went through the new factory and learned directly from

him the precise nature of the problem which he was trying to work out there. Later, he met the entire board in Manchester and took them step by step through the reasoning upon which he had based his action. Finally, he explained that from whatever success he achieved the city of Manchester was bound to derive benefit, too, for it was his hope, when the factory was thoroughly organized, to establish it permanently in Manchester.

Mr. McElwain had no gifts of address except directness of speech and a faculty of convincing his listeners that he sought nothing but the truth; at the end of the meeting he had brought the board to a point where all its members were willing to trust his word that the experiment would work out in a fashion not inimical to the interests of their city. As a matter of fact, when, a few years later, the work of upper leather cutting was taken back there as a separate factory, it was perfect in every detail of organization, was installed in a building of the best modern equipment, and employed twice as many cutters as before.

Another undertaking which belongs to this period was also dependent for its success upon

Mr. McElwain's power to make a group of men with other interests see it as logical and right from their point of view.

In the course of the development of the business, the time came when he felt that the next field for him to study was that of distribution. During the years when he had been devoting himself first to factory organization and then to labor policy, the marketing of the shoes had gone on along the lines adopted when the business was in its first stages. It was now time, he believed, to examine his methods afresh,—to decide whether he should continue to dispose of his product exclusively to the jobbers, or whether he should be justified in selling also directly to the increasing number of retailers who did business on so large a scale that they could make purchases of the manufacturer commensurate with those made by the wholesaler himself. This investigation Mr. McElwain organized in a more thoroughgoing fashion than any he had hitherto undertaken. For a period of a whole year, a force of from six to a dozen clerks was engaged in obtaining figures showing for every town, city, and state in the

Union the number of retail shoe-dealers and the volume of their business, and then in analyzing these statistics to ascertain what proportion of retailers would still from force of circumstances buy their shoes of the jobbers and what proportion a manufacturer could hope to approach with advantage to them and to himself. The investigation led to the conclusion that for the next ten years or so the retail shoe-dealers, to the extent of seventy-five per cent in number and sixty per cent in volume, would for various reasons of necessity remain customers of the wholesale dealers; the other twenty-five per cent in number and forty per cent in volume offered a legitimate field for the manufacturer to cultivate. The making of samples and other work of preparation occupied further time, and after more than a year of getting ready for the new enterprise Mr. McElwain was in a position to begin.

The distributing department, as now reorganized, was to sell about seventy-five per cent of the company's product to the jobbers; fifteen per cent was to be disposed of under the name of the Great Northern Shoe Company to the large retailers;

the remaining ten per cent, consisting of stock shoes made at the end of each season to keep the factories running on full time and of damaged and imperfect goods, was to be sold here and there, as opportunity offered, under the name of the Interstate Shoe Company. In such a radical change of policy there was danger, as Mr. McElwain well knew, of coming into conflict with customers of long standing with whom he was on the best of terms. For meeting complaints that he was cutting their business from under their feet, he must rely on the facts obtained in his careful and exhaustive study of the problem of distribution as a whole, on their confidence, acquired through long years of intercourse, in his fair dealing, and above all on his power of appealing dispassionately to their reason,—of making them see the "logical thing to do" as impersonally as he saw it.

"We want you to understand," so runs the end of a frank and vigorous letter to a protesting customer and loyal friend, "that first, last, and all the time we are with you and mean to protect you. At the same time we are aiming to sell a certain class of large volume retailers that, on the

surface, might interfere with you; but we do not intend to have this occur, and you are at liberty at any time to ask for facts regarding any of our actions and you shall have them."

Of Mr. McElwain's ever-growing power of getting men of different views to march with him in fealty to an idea enough has been set down to show that the faculty had reached in him a state of development such that the community must soon make demands upon him for public service. He was beginning to feel the force of Mr. Brandeis's assertion that, in an industrial commonwealth like Massachusetts, he could accomplish much in this direction from the vantage-ground of a successful manufacturer. Already in the days of his residence in Bridgewater he had shown his sense of obligation to the community. Not only had he served on the school committee, to which his chief contribution was a characteristic study of school statistics for every town in Massachusetts,[1] but also, on one occasion when the town

[1] The detail with which he carried out this study appears in two volumes of typewritten statistics prepared by him on this subject. As a basis for his conclusions he divided the

was discussing the discrepancy between its income and its expenditures, he had risen in meeting and declared his belief that the Bridgewater assessments were too low by at least one-half. When some one sought to corner him by a pointed question as to his own taxes, he met the challenge in characteristic fashion by saying that he should properly be required to pay on a sum ten times greater than that on which he was actually assessed. This unique retort carried the day. Still

towns of the Commonwealth into five classes according to their population. He then made a study of the statistics for each town, including the following subjects: Population; total valuation of town; tax rates; total town appropriation; average school membership; total school cost; school cost per capita; salary of superintendent; salary of high school principal; total salary of high school teachers; average salary of high school teachers; number of high school teachers; total salary of common school teachers; average salary of common school teachers; number of common school teachers; cost of fuel; wages of janitor; cost of books and supplies; cost of repairs; miscellaneous expenses.

These statistics he summarized on a large sheet, so that one can easily compare the different towns in regard to each item. Besides this study of school statistics in general he also made a study, along the same lines, of kindergarten statistics.

All these figures Mr. McElwain studied himself in detail, as is shown by his frequent pencil notations and comments at various points in the volumes.

another indication of his attitude is to be found in his remark that he did not understand how members of the legislature could pass snap judgments on so many economic and legal questions. Should he ever enter public life he would need, he said, a corps of assistants to study each question that came before him, so that his decision might be based upon the fundamental principles that it involved. Whatever his contribution might be, if any, it would be made intelligently as well as whole-heartedly.

At forty, if ever, a man of affairs is ready to take his place in the world. His years of preparation, of first experiment and experience, are over; he may look forward at last to a period of real accomplishment. But his work can hardly hope to prove lasting unless it is pervaded with a quality which can be found only in a man who is living a rich personal life,—a life that intellectually is alert, that emotionally is sound and deep. In the present case there was such a rich personal life, never flagging in fullness. As the reader follows the course of this story that fact should pervade every paragraph of explanation of shoe system,

organization, and labor policy, until he apprehends, more vividly than anything that William McElwain devised or did, the man himself, whose mere presence, with its buoyancy and cheer, made itself instantly felt, and whose voice and look left no question as to the sweetness and strength within. Then one may partly foresee the incomparable years of happiness and service of which William McElwain stood upon the threshold.

To the richness of his life his intellectual activity contributed in no small measure. He was a man of ideas as well as a man of action, having regard, perhaps, to the principle behind the deed even more than to the deed itself. All the ways of experience found him alert and questioning. Of particular interest on this account are his vacation trips, taken with Mrs. McElwain, sometimes with one or more of their children, sometimes with other companionship. Florida, Jamaica, the North Carolina mountains, and the Adirondacks —not to mention the three months' stay in Switzerland—were for him not a series of vacant vistas, but a stimulus to acquire fresh and abundant stores of information. An illustration of his intel-

lectual robustness is the work that he laid out for himself to do during his summer vacation in 1907. Having in mind an extended visit to Italy in the following winter, he requested Mr. Stanley King, who was then acting as his private secretary, to prepare, after consultation with the proper members of the Harvard faculty, a course of reading in Italian history, art, music, government, and in the history of the Roman Catholic Church. "I drew up two courses of reading," writes Mr. King, "one a very complete and exhaustive course going into the subject in detail and including the most scholarly works on the subject, which extended over many volumes; the other, a shorter course including perhaps half-a-dozen volumes, which I thought would be more likely to appeal to a man who was as busy as Mr. McElwain. Without hesitation he said he wanted to go into the thing as thoroughly as possible, and asked me to order all the books which I had named in the longer course and have them shipped to North East Harbor at once. When I saw him at the end of the summer he had read with great care and assimilated virtually all the books which

I had sent down to him. His comprehensive grasp of the principles of Italian history and his apt comparisons of conditions there with conditions in this country showed the thoroughness with which he had undertaken the work."

It was in the realm of feeling that his life was richest. As regards the outward manifestations of religion,—public worship and church connection,—he let himself be guided a good deal by circumstances; as regards denominations and creeds, he was unbiassed, still endeavoring, in his fashion of thorough study, to find out which might be nearest the truth. Scattered throughout the country are men now in the prime of their years and men beyond their prime, the inspiration of whose continuing life of the spirit goes back to the pulpit of Trinity Church and the more intimate Lenten talks in Trinity Chapel. So it stood with William McElwain. His religious life maintained itself after the self-contained fashion of his Puritan ancestry; it sufficed him to keep it a matter between his own soul and God.

In his human dealings, however, the emotional side of his nature constantly gave glimpses of its

depth and soundness. There are countless stories bearing witness to the quickness and understanding of its response when it was a question of generous giving or of thoughtfulness for others. A merchant helped to get on his feet after the San Francisco earthquake, a wholesale dealer assisted in establishing himself as a manufacturer,—though he was becoming, in fact, a competitor instead of a purchaser,—these are random illustrations that could be multiplied ten-fold. Nevertheless, one best draws near to him on this side through knowledge of what he was in his own family.

The instinct which, in his early years, had made him reach out to seize the best for himself now prompted him to do the same thing in behalf of those who were dearest to him. Their way of life at home, the children's education, from the kindergarten through college, and in out-of-door activities as well,—all these were subjects of constant and careful planning between him and his wife. The preciousness of the charge with which they were entrusted was ever present with him,—at times, indeed, overwhelmingly present. Busy

as he was, and away from home so frequently, he never was too much engaged to find opportunity for attention to even the smallest details of questions concerning the children's welfare that to him seemed significant. But the amount of time that he devoted to these matters is of less account than the spirit that infused what he did. His instinct told him that the thing of first importance was that his children should grow to look upon him as deeply concerned in all their thoughts and doings, as a person full of understanding and sympathy, to whom they might turn with the complete assurance of obtaining satisfaction in the need of the moment. No parental protestations would gain this regard from them; actual and unfailing participation in their joys and sorrows was, he knew, the only open sesame to their confidence. The result of such a mingling of wisdom and love in him was something that sank deep into the hearts of his children; it also made its impression upon all who were fortunate enough to gain a glimpse of this side of the man. The labor representative, for example, whose comment on Mr. McElwain's bearing in the conferences after

the Bridgewater strike has just been quoted, was greatly struck by a conversation that he chanced to have with him at the end of one of the sessions on the day after Christmas. Mr. McElwain happened to refer to the fact that he had spent the holiday playing with his boys; the eagerness and feeling with which he went on to talk about them were a revelation to his listener. He got the impression, he said, that Mr. McElwain lived almost entirely for his family.

The high-water mark of this happiness was reached during the last four summers of his life. The warning of the year 1903 had not been lost upon him; convinced that he could not afford to trifle with his health, he made up his mind to transport the family to some spot beyond the range of the call of business and to try the restorative of two months of quiet home existence. For this purpose they chose North East Harbor on the island of Mount Desert. What many a tired man of affairs longs for but imagines that he cannot or should not attain for himself, Mr. McElwain actually made his own. With the clearness of vision and firmness of will that he brought

to bear upon his business problems, he planned and carried out his vacation, his time of real living, and in so doing created what became a precious and an enduring memory. At this season the eager mind's thirst for knowledge was, if not satisfied, at least allayed; friendships were renewed amid the leisure of the hills and the sea; and each day the home that was the heart of his being received from him and gave back a new enrichment of life. In the morning there were long uninterrupted hours for reading; in the afternoon the unique island spread before him and his household all its resources—riding, driving, walking, mountain climbing, bathing, and boating. He played tennis and golf, and shared the croquet ground and the carpenter's bench with his children. The physical activity and endurance that he showed after the months of office life were not more remarkable than the abandon and high spirits with which he threw himself into everything and his unfailing enjoyment in the companionship of his family. Besides the large amount of reading that he did by himself, he read aloud to them; and he acquired at one time a capital

darkey accent as a result of their enthusiasm for his rendering of the Uncle Remus stories. "I have seen him," writes his brother, "in many places and under many conditions, successful and noble in all, but nothing can approach the picture of his family life in North East Harbor."

Such an existence was, of course, the best possible preparation for the long, hard pull of work ahead when he returned to his office. The strain of his business was unquestionably severe, but he had already schooled himself, as far as a man could who never lost the joy of working, not to overdo. Of his organic soundness the fact that not long after this time he was accepted for life insurance seems ample proof. As for his appearance, it carried the conviction of radiant health and expressed all the more immediately his greatness of soul.

"Perhaps his splendid physique," writes one of his associates, "and large, almost massive frame, partially accounts for the impression that his presence always gave of exuberance, of an almost boyish ease and mastery. The poise of his head, his eager yet contained expression, even

his spontaneous gestures, all made him seem as one who stood upon the mountains of life, one whom its problems would always arouse but could never defeat. His bearing had that bracing, tonic effect as though he were head and shoulders above everything that could oppose him. His cordiality always contained an element of boyishness, very attractive and contagious. There was about him a glow and freshness as though he had always just emerged from a cold plunge."

The summer of 1907, in which, by reason of its completeness, their sense of belonging together had taken on a deeper meaning for all the members of the family, came at last to an end; he and Mrs. McElwain and the four children—Dorothy, Donald, Alexander, and Helen—returned to Boston, to establish themselves in the house which he had recently purchased for their permanent city home. The pictures of memory and anticipation—of Mount Desert hills and of the cities of Italy—took a second place, and work once more engrossed him. Almost immediately the panic of that fall involved him in its turmoil. For a few weeks he was forced to strain every

nerve in carrying out his determination not to shut down his factories and to meet promptly every one of his obligations to the last penny. The business stood the test triumphantly, and emerged sound and unshaken.

The financial stress had hardly passed when he was called upon to stand under the shadow of the great crisis of life. An acute attack of appendicitis required an operation, which was accomplished only just before it would have been too late. Three weeks of struggle toward recovery followed, weeks which were marked by watching and waiting, by alternations of hope and fear on the part of those who loved him, but weeks which revealed in him the fruitage of his life. In the midst of inevitable pain, weakness, and depression, there was deep joy in the companionship of his family and careful thought for their future, a glad recognition of the love and loyalty of those who were closest to him in the administration of the large interests outside the family, and a calm serenity pervaded by a cheerful hope of ultimate recovery.

So the days passed and lengthened into weeks.

Then in the early hours of a new day the heart was suddenly stayed and William Howe McElwain passed beyond all earthly vision, beyond all effort and fulfilment known to mortal life. He had lived ever upon the heights; with the ideal revealed to him there it had been his privilege to inspire others; that inspiration death could have no power to end.

> "*As one lamp lights another, nor grows less,*
> *So nobleness enkindleth nobleness.*"

APPENDICES

APPENDIX A

THE following figures from the "Massachusetts Labor Bulletin" for May, 1900, p. 68, show the average months of employment and unemployment in the important shoe cities of Lynn, Brockton, and Haverhill in 1895.

	Total number of employees	*Total number employed for full year*	*Average number of months of employment*	*Average number of months of employment in some other occupation*	*Aggregate average of number of months of employment*	*Aggregate average of number of months of unemployment*
Lynn	9723	6108	10.12	0.21	10.33	1.67
Brockton	6716	3902	10.39	0.18	10.57	1.43
Haverhill	6409	3285	9.74	0.45	10.19	1.81

The following figures, taken from the "Quarterly Review" of Employment and Earnings in the numbers of the "Massachusetts Labor Bulletin" for 1899 and 1900, show the fluctuations in the number of shoe workers employed in Lynn, Brockton, and Haverhill in those years. The months given are those of the issues of the "Bulletin;" the figures usually represent the number employed in one of the weeks of the last half of the preceding month. The appearance of two sets of figures against one month indicates a discrepancy between figures sent in three months apart.

	Number of workers reported	*Percentage of change from previous report*	
		Decrease	*Increase*
LYNN			
January, 1899	1919 (1909)	7.92	
April	2435 (2445)		27.55
July	2042	16.48	
October	2262		10.77
February, 1900	2222	1.77	
May	2218 (2022)		
August	1659	17.95	
November	2105		26.88
BROCKTON			
January, 1899		5.67	
April			2.05
July		4.69	
October			35.96
February, 1900		5.17	
May		37.58	
August			25.31
November			6.55
HAVERHILL			
January, 1899	2839		33.66
April	3229 (3193)	11.18	13.74
July	2836	11.28	
October	2516		
February, 1900	3014	27.67	19.79
May	2180	20.32	
August	1737		
November	1812		4.32

APPENDIX B

THE following table shows the number of working days in the Bridgewater factory from 1895 to 1905 inclusive.

1895	250	1901	298
1896	248	1902	290
1897	290	1903	300
1898	158[1]	1904	302
1899	290	1905	298
1900	293		

Recent experience has proved that the operatives work better if the maximum is 290 days, and at present the factories are closed for the week including July 4. Saturday is a half-holiday throughout the year.

[1] Plant destroyed by fire; not operated till July.

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